Exporter and Industrialist Debate Inflation

LARGEST CIRCULATION
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FINANCIAL PAPER

THE FINANCIAL POST

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DEPARTMENT ON
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The Nation's Business

Debts Settlement to Come in '33
The Real Issue in the Debts
Dangers Are Seen in Excessive Inflation
Two Views Offered

The Real Issue in War Debts

SOME concession on the payment of the war debt installments due the United States on December 15 is likely. More conciliation than appears on the surface is reported by well-informed Washingtonians. But one thing seems certain; the immediate crisis of the December payment will not force war debts to the final issue. That is more likely to come in the first three months of the Roosevelt régime than now. War debts may not be Roosevelt's "baby" now; they will be his "baby" in 1933. He becomes president March 4. The next war debt installment falls due in June. It is likely Roosevelt will appoint a commission of experts to advise on the problem and it is possible that he may be able to induce Owen D. Young to head a commission to negotiate a fair settlement.

* * *

INTENSE propaganda against any cancellation or reduction of war debts is being carried on in the United States. Chief arguments against reconsideration are that the money was borrowed and should be repaid as an honest debt; that every dollar of reduction granted lessens the tax burdens of European people and adds to the taxes paid by Americans; that the debt payments represent but a small proportion of the budgets of European countries; that they represent a small proportion of the expenditures on armaments of the countries overseas; and that war debts discussions should at least be preceded by real evidence of a desire for world peace.

Likewise it is pointed out that the settlements already arranged have written these debts down from their peak against which, of course, stands the fact that the decline in prices has written their real burden up again.

It is obvious that the arguments of European nations that they cannot afford to pay these debts now or in the future are not taken seriously by the rank and file of American citizens. When the British chancellor of the exchequer remarked that paying the December 15 installment would add another shilling to the income tax he merely raised in the minds of American tax-payers the thought that if Britain did not pay it would mean higher taxes for them. It was a poor argument.

* * *

THERE is a vastly more important question involved than the question of ability to pay. It is the effect of the existence of this vast $11,000,000,000 war-created debt upon the international financial mechanism.

The simple position, as often outlined by economists, is that Europe has been asked to repay loans from the United States; that the United States has by her tariff policy made service of the debt by trade exceedingly difficult; that shipment of gold to New York to cover various payments made to date has been a contributing factor in upsetting the delicate workings of the only international monetary system the world has yet devised; that United States lending to Europe that made service of the debts comparatively simple in the early years has ceased; that as a result of this set of circumstances, in conjunction with others, the whole mechanism of world trade has broken down.

There can be no end to world depression until merchandise and capital flow more freely between the nations. Many barriers to such freedom exist and the leading economists of Britain, the Continent and the United States agree that war debts are one of the most important of these barriers.

* * *

SENSIBLE Americans feel that if cancellation entirely of war debts would lift the world even moderately out of the depths it would be worth more to the United States in three years than the entire sum that would be received over the whole term of the various debt-funding agreements. Seven leading U. S. economists have said that an increase of one per cent in American national income would amount to twice the current annual installments on the war debts.

If, then, prosperity is worth more to the United States than the cash value of the debts, the only real point for argument is whether or not postponement, revision or cancellation of these debts would in any way promote world recovery.

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CHECO SETS NEW RECORD FOR EARNINGS

Canadian Hydro Income for Third Quarter Higher

DIVIDEND COVERED

Inter-Company Obligations Are Cleaned Up — No Report on Junior Dividends

From Our Own Correspondent

MONTREAL.—Market value of Canadian Hydro-Electric preferred stock has little relation to the company's earning power, for in the twelve months ended September 30 last, earnings available on the preferred stock equalled $22.28 a share as against dividend needs of $6 a share. The stock has a current market value of around $30-$32 a share.

One of the principal factors militating against higher prices for Canadian Hydro preferred is the unsatisfactory newsprint situation. Practically all of Canadian Hydro's income is derived from Gatineau Power Co. The latter markets the majority of its output with the Ontario Hydro-Electric Power Commission. It also has contracts for varying amounts with the E. B. Eddy Co., Canada Cement, Ottawa Electric, City of Ottawa, Fraser Cos., etc., but about one-quarter of its income is derived from Canadian International Paper Co.

Newsprint operations for the industry as a whole have been about one-half of rated capacity. The majority of the companies are finding difficulty in meeting expenses. To date Canadian International has maintained its position better than the average. Judging by the present low level of Canadian Hydro preferred stock, the market feels sceptical of the ability of the paper company to maintain its position.

Show Substantial Gain

During the quarter ended September 30, 1932, earnings of Canadian Hydro were equal to $4.18 a share on the preferred stock as against $3.63 a share for the same period last year.

Income from all sources, including profit on securities redeemed and after taking into consideration loss on exchange, amounted to $2,288,145. This compared with $2,260,769 for the third quarter of 1931.

Balance to Surplus

After taking care of interest charges, depreciation, amortization of discount, dividends on preferred stock of subsidiary, etc., there remained a balance during the past quarter of $522,346 available for dividends on the first preferred stock, as against dividend requirements of $187,500, leaving a balance of $334,846.

For the same three months period of 1931, the balance available for dividends after prior charges amounted to $453,384, or $265,884 in excess of dividend requirements.

Cumulative Returns Impressive

Cumulative returns for the twelve months ended September 30, 1932, are even more impressive in relation to the earnings on the preferred stock. Income from all sources, including profit on exchange and profit on bonds and debentures redeemed, amounting in all to $425,677 aggregated $9,956,181. During the preceding year gross income totalled $8,991,884, including $31,326 profit on bonds and debentures redeemed.

In the current twelve months period there was an increase in interest charges, amortization of discount and dividend on preferred stock of subsidiary, but this was offset by a decline in depreciation and amortization of storage works, so that the balance available for dividends was $2,785,538 compared with $2.018,296 in the twelve months ended September 30, 1931.

Earned $22.28 a Share

Net earnings were equivalent to $22.28 on Canadian Hydro's first preferred, compared to $16.14 in the previous year. After the payment of dividends, there was a balance in the current fiscal year of $2,035,538, up from $1,268 296 in the preceding twelve months period.

When United States funds went to a premium in 1931 Canadian Hydro-Electric had a credit balance with International Paper and Power Co. which has since been repaid by

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Highlights of the Week

Events and Topics That Make Articles for The Financial Post This Week

More Inflation?

Exporters demand greater inflation of Canadian dollar and a link with the British pound. Other observers counsel caution, lest we ruin Canadian credit. Two authorities debate the problem—one an exporter, one a leading industrialist. Page 1 and also "The Nation's Business."

Wheat Outlook

Canada is bound to retain leadership in world export through the quality of her product. Vast surpluses now visible could easily disappear. A comprehensive review of the world wheat position, as it affects Canada. Page 8.

Ottawa Footnotes

A new department of The Post, interpreting the drama of the national parliamentary stage at Ottawa. Page 11.

Germany Hopes

Horace T. Hunter writes another article on what a Canadian business man learned in Germany. Page 1.

Protecting Farms

Loan companies try to prevent defaults on their western mortgages by helping farmers to improve their management methods. Page 10.

Pillars of West

Such are the retail merchants of the Prairies whose "liquidation" in present crisis is deplored by western observer. Page 11.

Market Leader

It's not that today but it may be some day—Photo Engravers common stock. It's discussed on page 9.

City Transportation

Various aspects of problem of moving people in crowded cities discussed in survey by United States Chamber. Page 4.

Nova Scotia

A four page review of the problems and trade prospects of Canada's stable Atlantic province. Pages 12 to 15.

Interest Rates

They may come down in Canada, even on savings bank deposits. Another symposium of banking views. Page 17.

Lame Ducks Meet

Issues of Canadian interest to come before Congress in session just starting are told by Washington observer. Page 6.

"NOT AIDING BROADCASTS," SAYS OTTAWA

Radio Commission Head Says Plan to Extend Programmes Rejected

Government support is apparently not forthcoming for industrial radio broadcasts in Canada, according to information given The Financial Post this week by Hector Charlesworth, chairman, Canadian Broadcasting Commission.

Commenting on the article in last week's Financial Post in which it was announced that the government was "seriously considering extending the coverage of first class programmes being sponsored in Central Canada by some of the larger industries," Mr. Charlesworth says: "One of my first acts as chairman was, after careful consideration, to turn down a proposition of this kind." Whether or not this policy will apply to all propositions of this kind in the future remains to be seen.

Would Extend Coverage

Briefly the plan which the commission was learned to have under advisement was the extension to the east and west of the excellent industrial programmes being offered by private corporations in Ontario and Quebec. A reason for not carrying many of these programmes beyond Central Canada is the heavy cost of transmission and the comparative sparsity of advertising contacts in the other areas. The commission considered therefore the leasing of wires and stations in the West and Far East so that these programmes could be given a wider distribution than would otherwise be the case.

The number of feature broadcasts of this type has fallen off materially this year due largely to the heavy cost of transmitting these expensive programmes outside Central Canada.

Just what other alternative will now be taken by the Radio Commission to extend good Canadian radio facilities to the West and Far East, remains to be seen. At present hardly any big industrial advertisers can afford to send their programmes across a nation-wide hook-up, which is obviously one reason why the Radio Commission is now functioning.

CORTICELLI'S PROFITS HOLD AT 1931 LEVEL

Earnings Last Year to Compare With Previous Period

From Our Own Correspondent

MONTREAL.—Earnings in the fiscal year ended November 30 of Belding-Corticelli, Ltd., largest factor in Canada's silk industry are expected to compare favorably with those of the previous period. The company is now taking stock and final figures have not yet been brought down but those in touch with the company do not look for a noteworthy change in revenue from figures of the previous year.

Value of sales has been lower and profit margin has been small. But plants have been kept operating at a good rate of capacity and reductions effected in operating expenses are expected to offset the shrinkage in gross earnings. Raw silk prices have shown wide variations rising sharply in the early fall only to relapse to levels below this time last year.

Pays Common Dividends

Net earnings in the year ended November 30, 1931, were $267,342 against $321,112 in the previous period. After charges and preferred dividends, profits were equal to $1.79 a share on the common on which dividends of 7 per cent have been maintained during the past year. Indications are, therefore, that dividends will not be covered, but requirements on the common total but $52,465 at the 7 per cent rate.

Competition in the silk industry has continued keener than ever. Expansion resulting from erection of new plants and extensions to existing units has boosted productive capacity to a high level and output has had to be marketed at prices which allow the barest margin of profit. The industry is fortunate, however, in being able to operate its plants at a satisfactory rate of capacity.

Brupbacher Silk on Market

Failure of the Brupbacher Silk Mills at Valleyfield recently is a reflection of the difficult state of

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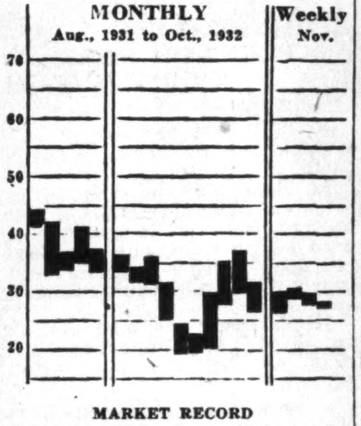
Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD

20 Industrial Stocks	High	Low
Week of Nov. 29	28.7	27.2
Week of Nov. 22	29.7	28.3
Month of Nov., 193[illegible]	41.6	34.9
8 Bank Stocks		
Week of Nov. 29	166	163
Week of Nov. 22	167	166
Month of Nov., 1931	216	216
10 Public Utilities		
Week of Nov. 29	46	44
Week of Nov. 22	47	45
Month of Nov., 1931	68	57

B. C. Power Earnings Continue Under Dividends

From Our Own Correspondent

MONTREAL.—Earnings of British Columbia Power Corp. applicable to the Class A stock dividends are below those reported a year ago. During the first four months of the current year ended October last, net income totalled $373,795. This compares with $614,370 for the same period a year ago. Dividends on the Class A stock during the four months period amount to $666,666.

This is normally a period of low earnings and the results to date do not necessarily portray the trend during the balance of the year. It is of value to note, however, that gross income for the first four months of the current fiscal year amounted to $4,259,908, as against $4,725,140 for the July-October 1931 period.

Operating expenses have been reduced from $2,644,738 in 1931 to $2,437,033 this year, leaving a net operating income of $1,822,875 compared with $2,080,402 for the four months period last year. Depreciation charges show a minor decline from $632,975 to $619,929. Interest and dividends on preferred stocks of subsidiaries decreased from $833,057 to $829,131, leaving net available for B. C. Power stocks of $373,795 for the first four months of the current year compared with $614,370 for the same period in 1931.

Earnings on the Class A stock so far this year amount to 37 cents a share, as against 61 cents last year.

TORONTO ASKS C.P.R. SHARES REGISTRY BOOK

Desires Transfer Office as Well to Serve Ontario Investors

COMPANY REFUSES

Sees No Present Necessity—Brokers Allege Delays in New York and Montreal Transfers

Toronto Stock Exchange members have so far been unable to convince the Canadian Pacific Railway Company that there is any real demand on the part of Ontario investors for the creation of a Toronto register and transfer office. A strong attempt has been made to induce the company to establish such an agency because trading in these shares on the Toronto Stock Exchange in recent months has exceeded the totals of Montreal, which formerly did the lion's share of the business. Such an agency had been repeatedly refused in the past because of the comparative lack of volume of trading in Toronto, but brokers claim there is no longer any force to that contention.

The plea of Toronto Stock Exchange members that the company should recognize the growing popularity of its shares with the Ontario and Western investors, who trade in Toronto, has not yet convinced the officers of the company.

Maintains Three Agencies

The company has for many years maintained three register and transfer agencies for its shares—in Montreal, New York City and London, England, respectively. A shareholder can have his shares registered in any one of the three, but New York so far has been favored beyond all the other registry points. The proportional distribution of the outstanding shares on the respective registers is as follows: Montreal 8 per cent; New York City 91 per cent; and London 1 per cent.

There are about 35,000 shareholders in Canada holding 20 per cent of the outstanding C. P. R. common stock. As only 11,000 shareholders (including other than Canadians, and holding only 8 per cent of the total shares) have availed themselves of the Montreal registry, the directors conclude that there is no need for the provision of additional facilities for registration in Canada. The company has represented to the Toronto Stock Exchange that inasmuch as the shares are transferable only upon the books in which they are registered and the certificates are not interchangeable, it would still be necessary to forward certificates to Montreal or New York for transfer. There would therefore not be the advantage expected by the brokers, it is urged.

Claim Shareholders Penalized

Toronto Stock Exchange members base their request for consideration on the fact that about 300,000 shares have been sold in the last five months on the Toronto Stock Exchange. They state that the 35,378 Canadian Pacific shareholders in Canada compare with a total of 77,046 domiciled in the United States and the United Kingdom. The Ontario and Western shareholders of the C. P. R. it is argued, must bulk very largely in the Canadian totals and the trading on the Toronto Stock Exchange is offered as evidence. These shareholders in Ontario, the argument proceeds, must be of great benefit to the company in business received in and from this province and should be considered.

The lack of a local register and transfer point, the company has been told, penalizes the Ontario investor as compared with the Quebec and United States investors. Time and convenience are as important to the Ontario shareholder as to others, and neither are considered when transfer necessitates Montreal or New York registry. The fact that the two registries are not interchangeable as in the case of other interlisted stocks such as International Nickel and Brazilian, is stated to be an added drawback. The tendency is to restrict trading on the part of Ontario investors on the score of lack of marketability.

Delayed 10 Days

It is alleged that stock with Montreal registry, bought on the Toronto board and sold to New York, generally takes about 10 days to be broken up or transferred from Montreal to New York registry. In other words, the delay is much longer than is permitted under New York Stock Exchange rules which set forth three days as the limit. Arrangements have therefore to be made in such cases to borrow the stock in New York. During October such borrowing required a premium of $2 per 100 shares. This transaction was equivalent to a short sale and would so rank in the returns.

Machinery Too Complicated

"The Ontario investor is penalized for being a C. P. R. shareholder," said a Toronto broker to The Financial Post, in setting forth the reason why the exchange favored Toronto registry. "He is further hampered by the fact that during the time he borrows stock in New York he is classing himself as a bear. His requirements have the effect of increasing the demand for loanable stock and that naturally has a tendency to increase the premium against him. And the premium is payable in United States funds, which piles on the agony.

"In the case of stock of New York registry, a minimum wait of seven days must follow purchase on the

(Continued on page 2, col. 5)

Should Dollar Trail Along After Pound Or Follow Own Road

Conflicting Advice Comes to Ottawa, Many Exporting Interests Claiming That Tieup With Sterling is Needed to Put Canada in Fair Trading Position With Other Countries

MIGHT LEAD TO ABYSS, SAY OTHERS

The Canadian dollar has come to a point where the ways divide like the prongs on a three-tined fork. Important exporting industries are strongly urging at Ottawa that the left path should be taken down hill to a road where the British pound and the Canadian dollar could run again on the level, that is, at exchange parity with each other. A few favor using strong-arm methods, if possible, to get the Canadian dollar eventually back by the right-hand hilly path to parity with the United States dollar. From day to day stronger representations are being made by a third group which points along the middle prong of the forking road as the way that leads to exchange stability.

The Financial Post publishes herewith side by side the views of two leading Canadians, one favoring Canada getting into a favorable trading relation with the pound and the other warning of the perils that he sees in such a course. The first sees no danger because he believes the British pound will be the predominant currency for trading purposes in the world within five years. The second says Canada cannot know where she is heading by playing a game of "Follow the Leader" with the pound until there is some permanent solution of war debt problems and until the British dream of stabilizing the pound at some fixed gold point has been made actual fact.

Both men admit that the exchange value of the pound is mainly fictitious except for international purposes and that the internal purchasing value has been well maintained. One, however, looks on the present events which forced Britain off the gold standard as of only temporary importance while the other thinks it wisest to wait and watch what happens to war debts, to various exchanges now experimenting with chasing the pound and to the deliberations of the Economic Conference of important nations next spring. Neither man knows of the contribution made by the other.

Favors Dollar-Pound Hookup

Export business in Canadian fish has recently been greatly hampered by the exchange disparity between the British pound and the Canadian dollar, according to A. N. McLean, president Connors Bros., Ltd., Blacks Harbor, N.B. Connors Bros. has done and is doing an export business with importers in every part of the world but recently has found that the discount on the British pound as measured in Canadian dollars is increasingly giving its competitors an advantage in Great Britain and other markets of the world because these competitors operate from countries whose currencies have been reduced to a trading level with the British pound so far as foreign exchange value is concerned.

Competitors Get Advantage

"We do business with 100 countries all over the world," said Mr. McLean. "Last year country after country aligned its currency with the British pound and we are trying to do business with the Canadian dollar which stands way up in the air above the British pound. Naturally, we are losing out.

"In the year ending September 1, 1931, Norway shipped 3,606 long tons to Great Britain, but in the year ending September 1, 1932, Norway shipped 7,550 long tons of fish, mostly of the herring and bristling types, to Great Britain. They also increased their sales to the United States from Norway from 7,541 long tons in the year ending September 1, 1931, to 11,666 long tons in the year ended September 1, 1932.

"The statistics of other competing countries show a similar situation and their gains in export business were made at the expense partly of Canadian exports. These countries have no advantage in sources or kinds of fish, or in efficiency of packing, over Canada; rather the reverse. The whole disparity is in the trading value of the Canadian dollar with relation to the pound.

Lumber Sales Inhibited

"In the Maritime Provinces we are most anxious to sell our fish products throughout the different parts of the British Empire, and especially to England under the 10 per cent preference which we were given, but in actual practice under present exchange conditions, these preferences in the majority of cases simply mean nothing. We in Canada are apparently trying to do a commodity business throughout the British Empire with a New York measuring stick, which is unworkable. If we consider the Canadian dollar in the light of a utility to business by aiding in exchange of products, it now needs some attention because it will not move our products. Something is wrong with it somewhere. Outside of Canada it will not do its old work. It is not only with fish products that it fails; but the lumber situation in the Maritimes is much the same. We have large lumber areas in New Brunswick and a good many operators. Scandinavian countries, however, are just as anxious to sell lumber to Great Britain as we in New Brunswick are, and they are willing to accept the pound at its par value or place it at a premium.

"If we want to sell our fish we cannot overlook the point that Nor-

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Wants Stability Maintained

One of Canada's leading industrialists, head of a company doing a Dominion-wide business, supports his opposition to any policy of hitching the Canadian dollar to sterling by pointing out that the exchange values of the two currencies have been determined by two entirely different sets of influences. He states as well that the British pound, since going off the gold standard, has had wider swings, shown more rapid changes and in general displayed greater weakness than the Canadian dollar. The very real comparative strength of the latter was an asset to Canada which he thinks should not be sacrificed in pursuit of advantages that might turn out to be transitory and unsubstantial. Most especially he felt that, whatever may be Canada's ultimate course, it is only common sense to wait until Great Britain gives a demonstration of real exchange strength by a restoration of the gold standard at some fixed gold point when some permanent solution of war debt problems has been agreed upon.

Sees Sterling at Disadvantage

In the first place this industrialist, whose name The Financial Post has not permission to publish, carries war into the inflationist camp by expressing the opinion that the present position of sterling is a disadvantage to Great Britain. In his opinion her trading and banking activities have been offset by higher tariffs directed against her. The answer everywhere in the world in recent years to trade advantages given by depreciated currencies has been higher tariffs. Because of this he argued to The Financial Post that the present arbitrary valuation of the British pound by the Canadian customs department at $4.40 has been entirely justified when the goods imported are also manufactured in Canada.

Give Dollar Added Load

Canada's difficulties in his opinion would be added to greatly if the Canadian dollar were tied to the British pound because on Canada then would rest the added load and duty of trying to support the stability of sterling. He thought it would be a blow to Canada's prestige in the trading world if the Canadian dollar were to fluctuate as rapidly and as widely as the pound has done. Temporary advantages which exporters see would soon be negatived by higher protective barriers in various markets.

This manufacturer feels that Canadians should study very carefully, coolly and impartially their whole position, domestic and foreign, before making any such radical departure as that of tying the dollar to the pound.

Canada's position is entirely different from that of Great Britain

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Wabasso Sales Compare Favorably With 1931

From Our Own Correspondent

MONTREAL.—Business of Wabasso Cotton Co. during the current fiscal year which began July 1 has been relatively satisfactory and it is understood that sales and earnings compare favorably with those of the same period of last year. Special activity has been noted in movement of dress goods and general apparel; a situation which has been apparent in the whole cotton textile trade.

Though hand-to-mouth buying still persists recent tightening up of credit extended by the mills is expected to ease the load which the manufacturers claim they had to carry under the old system of long term dating. In either case, forword deliveries are slow and tend to lower the profit margin on sales.

In the year ended June 30, 1932, Wabasso Cotton reported a net operating loss of $174,617 compared with a profit of $448,213 in the previous period. Necessity of writing down inventories, it is understood, was reflected in this loss and the company started the current year with a clean sheet. Consequently those in touch with Wabasso look for a better showing this year if business can be maintained at current levels.

The last balance sheet showed inventories at $1,301,800, a reduction of $741,000 from the previous year and the lowest figure to be reported since 1927. Bank loans were reduced by $335,000 to $550,000 and liquid position was maintained.

GERMANS STAKE PLANS ON HOPE WORST IS OVER

Leaders of Opinion Rely on Improved World Conditions

DANGER POINTS YET

If World Recovery Not Seen By 1934 or 1935 Trouble Looms for Reich Government

By HORACE T. HUNTER
Vice-president, The Financial Post

Germany has staked everything on the assumption that the business depression has passed its low point and that the curve points upward. Anything else is unthinkable. There is no feeling of optimism, but rather one of fervent hope.

Is there a firm foundation for this belief or is the wish father to the thought?

On a visit to Germany, from which I have just returned, I was fortunate in having long interviews with leaders in finance, industry and diplomatic experts. Three of the financiers I saw were men of entirely different type and personality, but all with a rich background of experience. They undertook to talk frankly with me on condition that I would not quote them. I can, however, without any breach of confidence tell something of their personality and connections and can summarize the impressions I gathered from various interviews with them and others.

Luther is Hard Worker

I saw Dr. Hans Luther, head of Deutsche Reichsbank, one day at five o'clock and was with him till nearly seven. I apologized to his secretary for keeping him at the office after hours, but he stated that Dr. Luther was frequently there later than that.

Dr. Luther is 53 years of age. He was Finance Minister in 1922 and Chancellor — approximately the equivalent of Prime Minister in Canada—1925-6. He is a university graduate and an accomplished linguist. He asked me if we might talk in French, as his French was better than his English. I assured him that his English was much better than my French. In fact, his English proved to be excellent. He is rather thickset, of medium height and talks in rather guttural tone. He is a forceful, virile type and becomes greatly enthused in developing an argument. He impressed me as a hard worker and a man who would drive himself continuously to accomplish what he had in hand.

Expert on Reparations

I had an hour with Dr. Carl Bergman, of Dresdner Bank, an economist and financial expert of international reputation, former Secretary of State at the Finance Ministry, expert member of the German delegation to Versailles, member of the Franco-German Economic Committee and various other commissions, and writer of the well-known book, "A History of Reparations."

Dr. Bergman was very much in the public eye this year as the author of the financial plan presented by the German delegation at Lausanne. He has a charming, cultivated manner, is probably in the early fifties and has the faculty of quickly making a visitor feel very much at home in his office.

The third financier I saw was the noted Jewish banker, Dr. Jacob Goldschmidt, former head of the Darmstadter und Nationalbank, which became involved in the financial crash of 1931 in Germany.

Goldschmidt is a picturesque figure, a philosopher whose views on life and business have been mellowed and purified by the reverses of the past year. Several men told me that he would come back strongly. While I was in Berlin an announcement was made in the newspapers regarding important oil de-

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The New "LOXIT" Mounting

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The New LOXIT way of mounting a lens, with a solid shock resistant plug, holds the lens tight and is beautiful in appearance.

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Labor Heads Canada and U. S. Endorse Five-day Week Plan

Both labor and capital apparently are able to unite on the proposal for a five-day week as the best way to combat unemployment by spreading jobs. The strong campaign waged by the president of Standard Oil, of New Jersey, Walter Teagle, in the United States has received the strongest sort of endorsement from President Green of the American Federation of Labor. The Standard Oil's name was not mentioned by Mr. Green but it is evident that both capital and labor are realizing their stake in getting men back to work again.

In Canada a similar sort of alliance in this matter may be foreseen. The Imperial Oil has held up the banner for this policy by instituting the five-day week throughout its whole organization and Tom Moore, president of Canada's chief labor body, Dominion Trades and Labor Congress, also states that the short week is the ideal of labor in Canada at this time. He realizes that the loss of half a day a week entails the loss of half a day's pay but insists that later on, when times are better, the raising of the standard should be considered.

In the meantime the objective is to make unemployment disappear. Imperial Oil Review in the current number expresses the opinion that time may show that the five-day week may add to efficiency of the individual worker because it gives him a welcome additional period of leisure and does not greatly restrict his earnings

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The Nation's Business

(Continued from Page One)

The oft-expressed views of British and European economists are well known. They make no reservations in their statement that clearing away the war débris will definitely aid world trade. But if we write off their views as prejudiced, if we call men like Stamp, Keynes, Withers, Beveridge, etc., mere propagandists we still have to consider the important fact that the best-informed Americans, who are not in politics, are almost unanimously in favor of war debts revision,—many in favor of complete cancellation. Leading American economists are on record that insistence upon full payment of these loans will have serious economic and financial consequences for the whole world.

That is the real issue; can the United States afford to receive the war debts; not can Europe afford to pay.

Complete cancellation, besides being politically unacceptable in the United States, is hardly necessary. Postponement of current payments; drastic revision of totals; establishment of flexible schedules of payment will in themselves solve the problem, American economists declare.

Excessive Inflation Has Grave Dangers

ADVOCATES of inflation welcome whatever influences or measures make the exchange value of the Canadian dollar bend toward the pound. This makes export business possible with grain, fish, lumber and other natural products of the soil and sea and it is obvious greater exports aid internal conditions materially. Opponents of inflation point to the large payments of interest and principal which have to be made yearly in the United States and say that further inflation would deal a damaging blow to Canadian credit in a market where money will be wanted in the future.

In this issue of The Financial Post, A. N. McLean, president of Connors Bros., fish exporters, states clearly and forcibly in an interview the view of important exporters who see clearly that the present relation of the Canadian dollar to the value of sterling is losing them business. On the same page is an interview with a leading Canadian industrialist, who views with profound disquiet all the arguments for a depreciated currency. The latter simply does not believe that, once started, inflation can be controlled and he fears that if foreign trade is made the excuse for tampering with money values an international race in depreciation of currencies may develop and end in the abyss. Recent history bears out his remark that inflation of currencies to secure undue trade advantages has hitherto resulted in raising of tariff barriers to prevent unfair dumping, thus automatically preventing each nation depreciating its currency from getting the advantage of its sacrifice.

SO FAR Canada has been following a middle road with a tendency recently to lean somewhat toward sterling. A month ago Canada's dollar had a discount of only eight per cent and now it is about 17 per cent. A month ago the British pound was worth in Canada about $3.70 to $3.72 and now it is quoted at $3.78 and $3.79, so that there has been a distinct move toward the pound and a much larger move away from the United States dollar.

Because the British pound still buys almost as much in services and materials in England as it did before Great Britain went off the gold standard, British manufacturers have now a considerable advantage in Canadian and United States markets except where dumping or increased customs duties are applied. In so far as Canada's dollar loses its premium in British money, however, the advantage of British exporters to Canada becomes less and of Canadian exporters to Great Britain becomes greater.

* * *

UNDOUBTEDLY it is the duty of the Dominion government to follow the policy which over a period of time will best conserve the welfare of the greatest number of Canadians. It is all-important to hold high the reputation of Canadian governments, municipalities and corporations to pay their debts as and when due. Every Canadian has personally a stake in Canadian reputation for honesty and reliability and would suffer if that reputation were to fall low. There is wisdom in the assertion also that under present troubled conditions in the realm of international trade, a policy of inflation might easily become uncontrollable. Until the British pound acquires stability no one can say where a Canadian policy of dollar adherence to the pound would end up. It does not follow that British monetary objectives should necessarily be Canada's monetary objectives.

On the other hand, a strenuous endeavor to lift the Canadian dollar to parity would be dearly paid for. If exchange finds its natural level from the constant action and interaction of demands for and sales of United States, Canadian and British money that would appear best to serve the interests of all. The strenuous and back-breaking work of the British in taking the pound up to parity is now known to have imposed unnecessary hardships on the nation. If the proper gold level had been found years ago it might have given British trade an earlier impetus than it got.

* * *

PRIME MINISTER J. RAMSAY MacDONALD on November 28 rejected a proposal of Sir Percy Hurd for an Imperial Conference to consider and compose exchange differences. The prime minister said no part of the empire would welcome it and he doubted if such a conference would be effective. He must have spoken with knowledge of what occurred at Ottawa when tentative references were made to the subject. Action was deferred as all felt that the subject was a thorny one best deferred.

Canadians would do well to remember that the problem of exchange values is international in scope and that changes made arbitrarily for a definite purpose may have many unforeseen consequences in other directions. Changes that come because of world events beyond reckoning and because of violent changes in financial and trading conditions brought about by excessively high tariffs are defensible because unavoidable. Every artificial attempt to create more prosperity by tampering with price levels or withholding excessive supplies of any commodity has eventuated in near disaster all the greater because the devices were in most cases temporarily successful. We would be wise in "reflation" to lag a bit behind England and the United States because of the vulnerability of our credit position.

Gas. Dumping Duty Comes off, No Effect

Announcement on October 20 that the Government had removed the dumping duties on gasoline gave rise to the question: "What effect will this have on gasoline prices in Canada?"

"Inasmuch as the dumping duty has never affected the price of gasoline in Canada it follows that its removal will not affect the Canadian price structure," answers Imperial Oil Review laconically. This confirms the view taken by The Financial Post at the time.

Blue Ribbon Fails To Pay Willard Divd.

Payment of dividends on the preferred stock of Willard's Chocolates Ltd. was not paid September 1 and will not be paid on December 1 despite the guarantee of payment made by Blue Ribbon Corp. late in 1931. Blue Ribbon Corp. has given notice alleging to terminate its contract for the payment of dividends on Willard's preferred stock but this action does not affect the contract made for the acquisition by Blue Ribbon of Willard common stock before April 15, 1935, providing all the terms of the contract are carried out by that time. National Trust Co. has been investigating the alleged breach of contract on behalf of preferred shareholders.

During the current year the business of Willard's Chocolates Ltd. has been carried on by Blue Ribbon Corp. Late in 1931, preferred shareholders of the former company were asked to accept a reduction in dividend rate from 8 per cent to 6½ per cent, on the understanding that Blue Ribbon Corp. would guarantee cumulative dividends at the rate of 6¼ per cent annually for the period from December 1, 1931, to March 1, 1935.

Can. Paperboard Stops Operation Toronto Plant

Recent closing down of the Toronto plant of Canadian Paperboard Co. and the coincident opening of a new paperboard division by Hinde & Dauch Paper Co. of Canada, Ltd., is interpreted in trade and investment circles as marking the end of Canadian Paperboard manufacturing operations in Toronto. Members of the bondholders' committee, however, refuse to make a statement as to future action other than that opening date of Toronto plant is uncertain.

It is understood that in opening a new paperboard division, Hinde & Dauch has taken over some 30 employees of Canadian Paperboard Co. including F. F. Arnoldi, formerly connected with Canadian Paperboard's sales division. With demand for paperboard limited during the last few years it is understood that the 100 ton machine of Canadian Paperboard could not be run at sufficient capacity to get low cost on the various grades in demand.

Continued effort will be made by the receiver, G. T. Clarkson, and the bondholders' committee to sell the properties of the company.

for by the Canadian government on the basis of American funds. The current premium on the gold is approximately $12,000 a month as compared with $7,000 when the discount was lower.

CORTICELLI'S PROFITS HOLD AT 1931 LEVEL

(Continued from page 1)

affairs in the silk industry. This plant is now closed and there is considerable comment as to the possibility of its being purchased by some active concern. In this, Belding-Corticelli has been mentioned but it is understood that no definite negotiations have been undertaken as yet. Brupbacher was a manufacturer of broad silks. The last extension undertaken by Belding was the purchase of the Independent Silk Co., Ltd., at Coaticook in 1930 when equipment of Independent Silk was moved into the purchasers own plant.

Hosiery Sales Active

Belding-Corticelli has taken full advantage of the widespread popularity which silk has attained in recent years. Its hosiery department has been enlarged from time to time and production from this division has played an important part in total volume of sales. In silk hosiery, however, competition has reached its zenith and some companies have barely been able to cover cost of production at low sales levels which have been apparent.

CHECO SETS NEW RECORD FOR EARNINGS

(Continued from page 1)

that company in American funds and used to meet interest payments. This credit was exhausted at the end of last June and since then instead of the small profit represented by the premium on United States funds there has been a loss averaging about $17,000 a month. This represents the cost of acquiring the balance of United States funds needed for the payment of interest and sinking fund.

It is now anticipated that income during 1932 will exceed $9,000,000 by a fair margin and that profits available on the first preferred stock will be greater than the 18.44 a share reported in 1931.

Wipe Out Advances

No interim balance sheet has been issued, but it is understood there are no inter-company obligations existing between Gatineau Power, Canadian Hydro or International Paper and Power Co., except the current power bills for energy supplied to the paper mills. The $2,556,313 shown on the balance sheet at December 31, 1931, as owing by International Paper and Power Co. was eliminated at the end of June last.

No Word on Dividends

Neither has there been any official statement respecting payment of dividends on Canadian Hydro second preferred or common stock. It will be recalled that the last statement showed a distribution of $1,500,000 on the second preferred and $501,000 in common stock dividends. The latter represented $0.501 a share on the 1,000,000 on par value shares issued and all owned by International Hydro-Electric System.

Ship Cows to Orient

Ayrshire cows from British Columbia are meeting the high standard set by the European dairies in the Orient, and fifty specially selected and tested cows of this breed will go forward to Hongkong early this winter. Many prominent provincial breeders are contributing to the shipment which will be carefully examined by veterinarians from the Dominion Department of Agriculture.

TORONTO ASKS C. P. R. SHARES REGISTRY BOOK

(Continued from page 1)

Toronto board before the transfer can be made. The stock would have to be sent to New York even where the transfer between buyer and seller would be a purely local one. The local buyer in the transaction would have to wait for the certificate until New York convenience in breaking up the requisite number of shares would be met. If a man bought 100 shares in four lots of 25 shares each from four different sellers, all these shares would have to be sent to New York or Montreal, broken up and shipped back here. In the meantime what might not the market be doing?

"The machinery is unnecessarily intricate. The company claims that because London possesses 43 per cent of the shares and only registers one per cent of the shares in London and that New York registers 91 per cent of all the company's shares, this is a sign that New York registry is what shareholders really want. Much of the eight per cent of stock registered in Montreal must have originated in Toronto in addition to what is forwarded to New York to register there. The Ontario and Western shareholders are penalized by having to register in New York or Montreal because they are accustomed to trading through the Toronto Stock Exchange. They do not do it by choice but by necessity. They should be considered."

Montreal Claims Promptness

Canadian Pacific Railway officials have checked for The Financial Post the time taken to effect the transfer of shares sent from Toronto to the Montreal office. The transfer agents in Montreal say that as a general rule stock received in their office before 3 p.m. each day is transferred and the new certificates despatched on the following day. They consider therefore that "there is little cause for complaint so far as the company's arrangements are concerned." Existing facilities for registration, it is felt, have been satisfactory for many years, and the company does not think that present circumstances call for an additional Canadian register when Toronto and Montreal are so close together.

The reply of Toronto brokers to the assertion that the certificates are not interchangeable and that transfer would have to occur in Montreal, London or New York, wherever registry had originally occurred, is that certificates should be made interchangeable as in the case of other interlisted stocks such as International Nickel and Brazilian. That would be an additional service and convenience to all shareholders wherever domiciled.

GERMANS STAKE PLANS ON HOPE WORST IS OVER

(Continued from page 1)

velopments in Irak which he had in hand.

In discussing the situation at home and abroad, Dr. Goldschmidt brushed aside details and insisted upon dealing with the broad general principles which he claimed must govern and dominate the ultimate solution.

He has much the same outlook on national and international affairs as our own Sir Joseph Flavelle.

Seek Financial Stability

Let me state at the outset that I believe there is a sincere desire on the part of German bankers and industrialists to work back into a sound financial position.

A member of the British Cabinet told me that the head of large German textile interests was then in London and that in conversation with him he found they were sincerely trying to pay off their indebtedness and work into a stronger position.

I was also informed in Berlin that 50 per cent of the debts under the Standstill agreement had been liquidated. These are, of course, all private debts.

Germany's inability to borrow money abroad has forced her to increase taxation, reduce payments under Unemployment Insurance Act, and effect many economies.

There are, however, some danger points staring any observer starkly in the face and which cannot be lightly brushed aside.

Governmental Deficit

First in importance is probably the fact that Germany has a large annual deficit, but one of the directors of the Bank of England told me only two countries in the world are balancing their budgets, Great Britain and Irak.

There is a general feeling in Berlin that with steady, gradual reduction in unemployment charges the German budget can be greatly reduced in 1933 and balanced in 1934.

Another possible danger is the rebates given in the form of promissory notes to taxpayers which can be used to pay taxes in 1934 and four following years, or that can be discounted immediately at banks. These promissory notes will amount to about $100,000,000 a year between the years 1934-39, and the Government is spending now the revenue of these five years.

Bankers admit this is not a sound method of finance, but they state that if a patient is sick and his heart affected a doctor will not hesitate to inject poison to stimulate this vital organ and with a strong constitution the patient will throw off this poison and make a complete recovery. Too stringent economies would increase unemployment and cause discontent and political instability. Moreover, they state the amount involved is not large for a nation with the resources Germany possesses.

Here again we have the assumption that by 1934 or 1935 trade and revenues will have increased. If not, there will be world bankruptcy and reorganization in any case, they believe.

The large land owners or Junkers are not in good shape. They have received large loans from the government. In the past they have spent money lavishly and are now badly involved financially.

Seek Lower Tariffs

Tariffs must be lowered, German spokesmen assert. Opinion in Germany is voiced strongly to the effect that the Ottawa pact is a retrograde step, that Great Britain and the Dominions have more to gain from low tariffs and improvement in world conditions than from any immediate advantage that might come to them by penalizing foreign countries.

When asked why Germany, with her high tariff and recent exclusive quota against foreign wheat, did not set the example by letting down the bars, this reply was given: Germany is a debtor nation; she cannot take the initiative. Great Britain or the U.S.A. must take the lead.

Currencies must be stabilized. One financier stated that before the war there were 13 different currencies in Europe. Today there are 27. This is a great handicap to international trade. Again criticism is levelled at Great Britain for demoralizing foreign currencies by refusing to stabilize the pound on some fixed basis.

Check on Exchange

Extreme nationalism is further shown in restrictions on export of money or credits. Special permits must be secured to send money out of the country for foreign goods.

On entering and leaving Germany you are required to fill out a form certifying to the currency of any kind you have with you, also amount of cheques or letters of credit. You must get a permit to take out more than you took in. Further, a party in a foreign country having money on deposit in German banks can only withdraw reasonable amounts for living expenses in Germany, as they fear that if large amounts were withdrawn it would find its way out of the country in some indirect way. Similar restrictions are imposed in many other countries.

Germany is the heart of Europe. Her very life blood depends on removal of many of these barriers and restrictions on trade. Isolation will strangle her. They tell you no other important nation is similarly handicapped. Her arteries of trade must extend beyond her present borders. The solution lies in reciprocal trade agreements or formation of United States of Europe.

Need of Lower Rates

Interest rates, it is argued, must come down. The recent Conversion Loan in Great Britain on a 3½ per cent basis and declining rates in the United States and other countries impose a moral obligation on debtors in these countries to adjust rates downward on the private and government obligations of Germany, they declare. They do not say they will refuse to pay present rates, but they believe rates will be lowered by mutual agreement.

The responsibility for many municipal and private debts is placed on the shoulders of the investment bankers of the United States, who forced the money on the borrowers. When German institutions wanted one million dollars, bankers cabled back to their agents in Germany: "Not interested in one million. Make it three million and we will handle it." Much of this money was invested in enlarging and remodelling plants to increase production to enable the borrowers to pay off debts. Restrictions on trade have rendered many of these plants useless. They are inclined to shift the blame for whatever mistake was made from themselves as debtors to their creditors.

Stability Is Evident

Berlin presents to the visitor an air of stability with little evidence on the surface of deep depression. Most of the buildings are of the heavy monumental type. There are many fine homes, all with high ceilings and large windows. Many large blocks of apartment houses have been erected since the war. Streets are wide and kept clean. One meets everywhere in hotels and stores extreme courtesy. Food is extremely good in the higher class restaurants and reasonable in price.

Unemployment in Germany is probably on about the same scale as in Great Britain and the United States. It is more acute in Berlin, as one might expect in a city of 4½ millions. However, unemployment insurance is general and there is little in the way of real destitution or extreme distress.

They tell you that there is no wealthy class left in Germany. Deflation of currency after the war wiped out savings and investments, and plants and buildings are today more of a burden than an asset. Hitler's successful appeal to the former great middle class has been largely due to the fact that deflation wiped out their savings and forced them into the proletarian class.

Stake All On Recovery

There is no tendency on the part of bankers to minimize the difficulties or dangers ahead, but the general consensus is that the crisis, politically and financially, has been passed and that there is no imminent trouble of real magnitude on the horizon.

Financially, they have staked everything on their belief that the bottom of the depression has been reached and that there will be gradual improvement in world trade. Many changes and reforms must be effected, but they are firm in the belief that these will be worked out.

This is a more hopeful viewpoint than I found among financiers in Great Britain, but I state it because it is important to know something of the attitude in Germany. Unfortunately, I am unable to give the exact views of each man. No doubt each individual would qualify or change the conclusions I have drawn, but these views represent a summary of the opinions of many able men who received me in very courteous and friendly manner and seemed to be speaking frankly and without reservation.

CANADA'S Permanent Character

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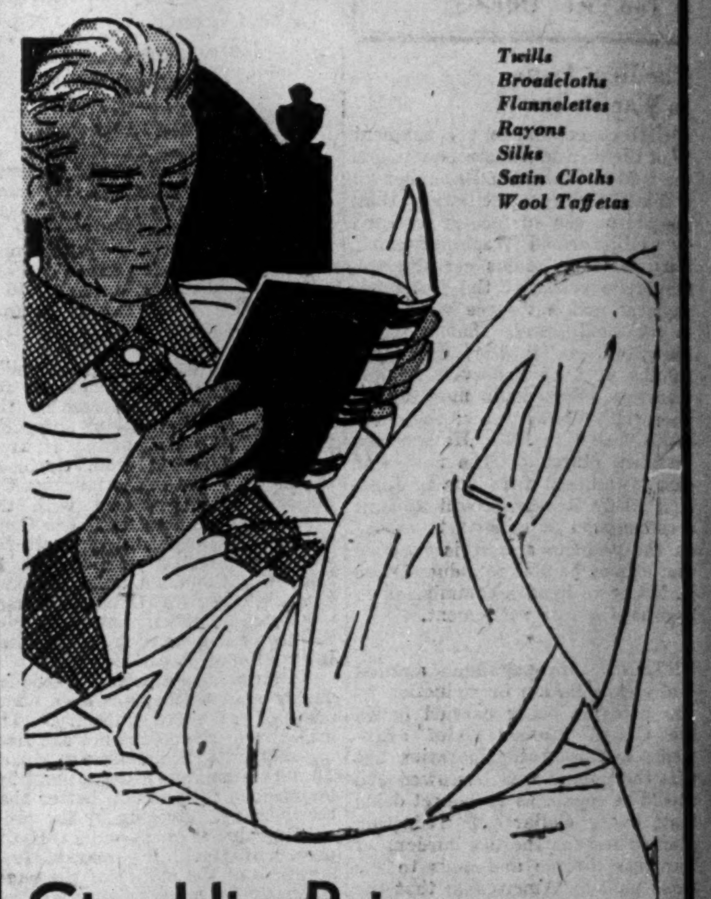

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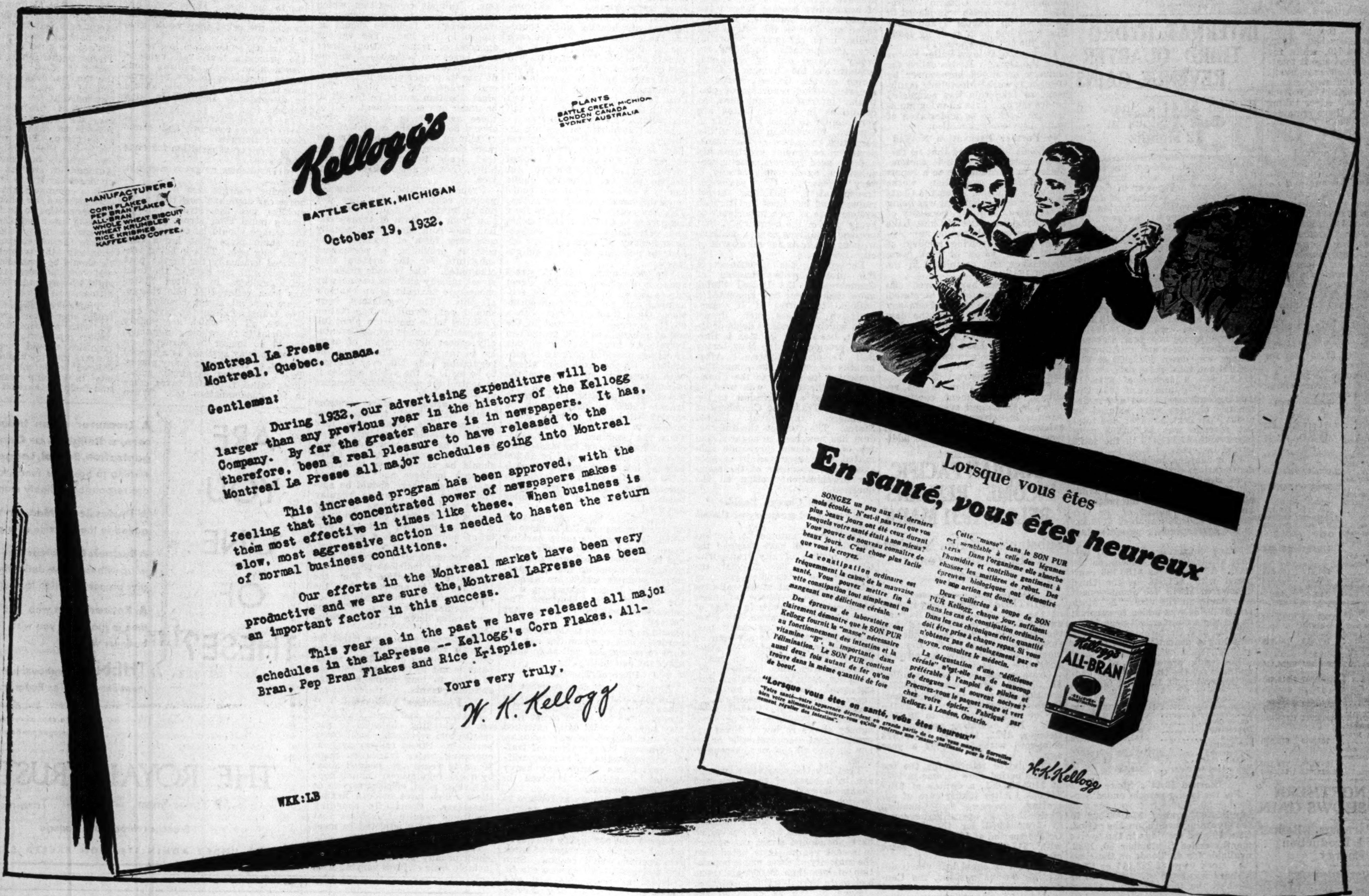

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LONDON CANADA
SYDNEY AUSTRALIA

October 19, 1932.

Montreal La Presse
Montreal, Quebec, Canada.

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During 1932, our advertising expenditure will be larger than any previous year in the history of the Kellogg Company. By far the greater share is in newspapers. It has, therefore, been a real pleasure to have released to the Montreal La Presse all major schedules going into Montreal

This increased program has been approved, with the feeling that the concentrated power of newspapers makes them most effective in times like these. When business is slow, most aggressive action is needed to hasten the return of normal business conditions.

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Yours very truly,

W. K. Kellogg

WKK:LB

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SONGEZ un peu aux six derniers mois écoulés. N'est-il pas vrai que vos plus beaux jours ont été ceux durant lesquels votre santé était à son mieux? Vous pouvez de nouveau connaître de beaux jours. C'est chose plus facile que vous le croyez.

La constipation ordinaire est fréquemment la cause de la mauvaise santé. Vous pouvez mettre fin à cette constipation tout simplement en mangeant une délicieuse céréale.

Des épreuves de laboratoire ont clairement démontré que le SON PUR Kellogg fournit la "masse" nécessaire au fonctionnement des intestins et la vitamine "B", si importante dans l'élimination. Le SON PUR contient aussi deux fois autant de fer qu'on trouve dans la même quantité de foie de boeuf.

Cette "masse" dans le SON PUR est semblable à celle des légumes verts. Dans l'organisme elle absorbe l'humidité et contribue gentiment à chasser les matières de rebut. Des épreuves biologiques ont démontré que son action est douce.

Deux cuillerées à soupe de SON PUR Kellogg, chaque jour, suffisent dans les cas de constipation ordinaire. Dans les cas chroniques cette quantité doit être prise à chaque repas. Si vous n'obtenez pas de soulagement par ce moyen, consultez le médecin.

La dégustation d'une "délicieuse céréale" n'est-elle pas de beaucoup préférable à l'emploi de pilules et de drogues — si souvent nocives? Procurez-vous le paquet rouge et vert chez votre épicier. Fabriqué par Kellogg, à London, Ontario.

"Lorsque vous êtes en santé, vous êtes heureux"

"Votre santé—votre apparence dépendent en grande partie de ce que vous mangez. Surveillez bien votre alimentation—assurez-vous qu'elle renferme une "masse" suffisante pour le fonctionnement régulier des intestins".

W. K. Kellogg

SALES! Sales! Sales! That's the big problem these days. If you would know the way to big sales, just study Mr. Kellogg's letter to La Presse, reproduced above.

The Montreal market is the largest and most productive in the country. But you must go after it right—bearing in mind that it is over 70% French speaking and reading. Concentrate your big effort on the French population—they have the money and will buy when properly approached in their own language.

Advertising is the way to sales but it must be correctly prepared and placed. "Hit and miss" advertising scattered over too wide a field, is invariably unproductive. Pick out a medium like La Presse which blankets a rich market, concentrate your copy in it and you are on the road to success in merchandizing and selling.

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Utilities and Transportation

GATINEAU POWER CURRENT PROFITS RECORD ADVANCE

Interim Statement Reveals Growth in Earning Power

From Our Own Correspondent

MONTREAL.—Further increase in earning power during the current year is reported by Gatineau Power Co., subsidiary of Canadian Hydro-Electric Corp. which in turn is controlled by International Hydro-Electric System, a division of International Paper and Power Company.

Consolidated gross income, including other income, for the quarter ended September 30, 1932, amounted to $2,224,440, while for the same period a year ago it totalled $2,176,053. Net revenue available for interest and depreciation amounted to $1,939,540 up from $1,857,744 last year. After taking care of all charges, there remained a balance of $456,648. This compares with $334,993 for the third quarter of 1931.

Larger Balance Forward

In the twelve months ended September 30 last consolidated net revenue available for interest and depreciation was $8,363,907 as against $7,318,681 in the preceding year. Part of this improvement is due to profit on exchange which amounted to $317,754. After the middle of the year profit arising through premium on United States funds ceased and there has been a loss averaging about $17,000 a month, representing the cost of acquiring the balance of United States funds needed for the payment of interest and sinking fund.

After all charges, balance added to surplus in the 12 months ended September 30 last was $2,415,821. This compared with $1,447,988 for the previous year.

Comparative income accounts for the third quarter and year follow:

Quarter Ended September 30

	1932 $	1931 $
Gross revenue, including other income	2,274,917	2,176,053
Loss on exchange	50,977	......
Profit on bonds and debentures redeemed ..	500	....
Total gross revenue, includuing other income	2,224,440	2,176,053
Net before interest, depreciation, etc.	1,939,540	1,857,744
Interest on first mortgage bonds and prior liens	885,571	889,904
Balance	1,053,969	967,840
Interest on debs.	277,266	281,955
Other interest, amort. of disc., div. on pref. stock of sub.	176,038	165,358
Depreciation, and amortization of storage works	147,017	185,534
Balance added to surp.	456,648	334,993

Twelve Months Ended Sept. 30

	1932 $	1931 $
Gross revenue, including other income	9,203,914	8,392,784
Profit on exchange	317,754	......
Profit on bonds and debentures redeemed ..	107,923	31,326
Total gross revenue, including other income	9,629,591	8,424,110
Net before interest, depreciation, etc.	8,363,907	7,318,681
Interest on first mortgage bonds and prior liens	3,545,302	3,335,324
Balance	4,818,605	3,983,356
Interest on debs.	1,117,731	1,135,986
Other interest, amort. of disc., div. on pref. stock of sub.	701,539	675,599
Depreciation, and amortization of storage works	583,514	723,783
Bal. added to surp. ...	2,415,821	1,447,988

CANADA NORTHERN POWER SHOWS GAIN

October Earnings Reflect Increased Production of Energy

From Our Own Correspondent

MONTREAL. — Gross earnings of Canada Northern Power Corp. in October amounted to $294,696 compared with $286,164 in the same month last year. Operating expenses were slightly lower and net earnings at $202,637 showed an increase of $10,203 over the corresponding month in 1931.

Gross earnings for the ten months' period ended October 31, show an increase of $82,011. Net earnings totalled $1,948,008, an increase of $81,005 compared with the first ten months of last year.

Power output and number of customers served show gains. Power production in October was 38,353,450 kw.h., an increase of nearly 2,000,000 kw.h. over October last year. In the ten months' period output totalled 363,560,460 kw.h., an increase of 5 per cent over the same period in 1931. In October last, 171 new customers were added to the company's system bringing the total to 12,290, an increase of 1,062 over the same date in 1931.

China Buys Canadian Bees

China is again in the market for Canadian bees. A carload of these honey producers, from the Taber, Alberta, area, left Vancouver the other day aboard the S. S. Empress of Japan for Hongkong.

Ottawa Valley Power Company

5½%

First Mortgage Bonds due 1970

Principal and interest payable in Canadian and U. S. funds

•

This Company sells its power output under long-term contract to The Hydro-Electric Power Commission of Ontario

At market to yield over 5.60%

NESBITT, THOMSON and Company Limited

355 St. James St. West, Montreal

Quebec Ottawa Toronto Hamilton London, Ont. Winnipeg Saskatoon Calgary Victoria Vancouver

85

John Morrow Screw Doing More Business

Advices from Ingersoll indicate that the John Morrow Screw and Nut Company has been experiencing more active business during the last four or five months than in the same period of 1931. One report is to the effect that the volume is about 16 per cent ahead of that of the same period in 1931.

As this company does a business all across Canada, such a return is regarded as encouraging.

INTERNAT. HYDRO THIRD QUARTER REVENUE GAINS

Earned $3.44 a Share on Class A Stock in 12 Months

From Our Own Correspondent

MONTREAL.—Improving industrial conditions and increasing sales of primary power in Canada are reflected in earnings of International Hydro-Electric System for the third quarter of the year. According to Archibald R. Graustein, president of the company, earnings for the summer months were affected by the seasonally lower demand for current for lighting purposes but earnings for the fourth quarter are showing the usual sharp increases.

Gross revenue from operations in the third quarter was $13,931,335 compared with $13,874,624 in the same period last year. Revenue from other income and profit on exchange was down $282,000 at $1,031,354 and total gross revenue was $14,971,065 a decline of $216,718 from the third quarter of 1931. Operating expenses, taxes and maintenance charges were reduced by about 9 per cent, however, and total net revenue was $8,382,408 compared with $7,847,410 in the same period last year.

Prior charges, including interest, depreciation, dividends on subsidiaries' stocks, income tax, etc., totalled $8,117,671 and net profit available for dividends on the preferred and class "A" stocks of the system was $264,738 against $176,298 in the corresponding period of last year.

After deducting dividends, balance available for dividends on the class "A" stock was $130,786 compared with $51,346 in the third quarter of 1931. No disbursement was made on the class "A" stock and $139,786 was added to surplus; in the same quarter last year $428,502 was paid on the class "A" stock entailing a deduction from surplus of $377,156.

Following are details of profit and loss for the third quarters ended September 30, 1932 and 1931:

	1932 $	1931 $
Gross revenue	14,971,066	15,187,783
Net revenue	8,382,409	7,847,410
Int. & divids.	6,917,111	6,472,913
Depreciation	1,200,560	1,198,199
Balance	264,738	176,298
Dividends:		
Preferred	124,952	124,952
Class "A"	......	428,502
Bal. added to surp. ..	139,786	
Bal. ded. from surp. ..		377,156

Earned $3.44 a Share

For the twelve months ended September 30, 1932, gross revenue was $64,615,163 against $54,002,002 in the preceding twelve months period. Consolidated earnings in the twelve months ended September 30, 1932, available for dividends on the class "A" stock were $2,953,111 or $3.44 a share against $2,495,848 or $2.98 a share in the preceding twelve months.

Canadian subsidiaries have been taken at parity of exchange without adjustment between foreign and U. S. currency. All profits and losses on exchange actually realized through operations have been included in the above results.

According to Mr. Graustein, New England Power Association has completed arrangements for paying its obligations maturing December 1, 1932. The $20,000,000 of association's 5 per cent notes were called for redemption on November 18, 1932, 13 days prior to maturity, and North Boston Lighting Properties has already deposited sufficient cash with the trustee for full ayment of its $7,500,000 note issue maturing December 1, 1932. International Hydro-Electric System and subsidiaries now have no important funded debt maturities until 1937.

Twelve Months Figures

Following are comparative figures for the twelve months ended September 30 in the past two years:

	1932 $	1931 $
Gross revenue	64,615,163	54,002,002
Net revenue	36,284,669	30,294,054
Int. & divids.	28,093,420	22,867,860
Depreciation	4,738,331	4,430,542
Balance	3,452,918	2,995,645
Dividends:		
Preferred	499,807	499,797
Class "A"	858,197	1,677,229
Bal. added to surp. ..	2,094,914	818,619

Increased Ocean Rates May Aid C. P. Steamships

From Our Own Correspondent

MONTREAL.—Announcement that transatlantic passenger rates will be increased from the heavy reductions made early this year is regarded as a victory for the Canadian Pacific Steamships and the French Line. These companies threatened to withdraw from the Atlantic Conference on the much debated issue of fare reductions.

Though the cuts in rates amounting to about 20 per cent made earlier in the summer are not to be fully restored, first cabin and second class fares on December 5 are raised 6 per cent while the summer season of four weeks has also been introduced during which all first class cabin tourists class rates will be increased 5 per cent.

Railway Earnings

Canadian Pacific Railway

October	1932 $	1931 $	Decrease $
Gr. earn.	12,279,731	13,764,049	1,484,318
Exps.	8,356,157	9,287,386	931,229
Net earn.	3,923,573	4,476,662	553,089
Ten Months:			
Gr. earn.	103,504,681	122,351,685	18,847,003
Net earn.	14,454,943	17,268,829	2,813,885

Canadian National Railways

Oct.	1932 $	1931 $	Decrease $
Gross rev.	14,186,896	16,018,766	1,831,870
Op. exp	11,261,423	14,177,017	2,915,594
Net rev.	2,925,472	1,841,748	*1,083,724
Aggregate to Oct. 31:			
Gross rev.	121,413,877	148,571,581	27,157,704
Op. exp.	112,288,287	143,164,062	30,875,775
Net rev.	9,125,589	5,407,518	*3,718,071

*Increase.

OTTAWA VALLEY POWER PROJECT WORKS SMOOTHLY

Plant Has Carried Loads of 190,000 Horsepower Since October

From Our Own Correspondent

MONTREAL.—Power plant of Ottawa Valley Power Co. at Chats Falls is operating smoothly and is turning out its full designed output, according to an official statement. The second half of the joint development undertaken by the company and the Ontario Hydro-Electric Commission was placed in operation on October 1 and since that time has been carrying loads up to 190,000 horsepower.

Contract of Ottawa Valley Power with the Ontario Hydro called for delivery of 96,000 horsepower by October 1; work of installing equipment to take this was completed before the final date allowing maintenance work to be undertaken of units previously installed.

No Further Excavation Needed

Officials have stated that no further construction work is contemplated, in contradiction to a report that further excavation works would be required. When the Chats Falls power development was being constructed, they say, necessity of improving the outlet of Chats Lake was foreseen and channel improvement works involving removal of 2,882 cubic yards of rock were undertaken and completed in the fall of 1931.

These works have proved efficient and adequate, it is stated. Excavation more than offsets any obstruction arising from the dam or power plant, and at no time during the recent high water has the level of Chats Lake been as high as it would have been under natural conditions or if the power plant had not been constructed.

Further excavation is not required, the statement continues. There is no danger even when the river is in extreme flood that the existence or operation of the power plant will give rise to additional flood damage.

CANADIAN PACIFIC INCOME REMAINS BELOW 1931 MARK

Substantial Gains Needed to Equal Last Year's Level

From Our Own Correspondent

MONTREAL.—Operating income of the Canadian Pacific Railway during October last was less than that reported a year ago, while the cumulative returns for the first ten months of 1932 show an adverse difference of $2,813,885.

Gross income in October totalled $12,279,731. This was $1,484,318 less than the same month last year. Working expenses were cut $931,229 or from $9,287,386 to $8,356,157. Net operating revenue for October, 1932, totalled $3,923,573 compared with $4,476,662 a year ago.

Cumulative returns for the ten months period show income in 1932 at $103,504,681, a decline of $18,847,003. After taking care of operating expenses, the Canadian Pacific had net operating revenues of $14,454,943 for the January-October period of 1932 as compared with $17,268,829 for the same months in 1931.

In order to equal last year's operating income position, the Canadian Pacific will have to report substantially larger earnings during the next two months than has been the case so far. In order to reach the 1931 gross operating income, $38,832,967 will have to be received. For November and December, 1931, the company's operating income totalled $25,003,018.

At the end of October the company was $11,227,929 short of the net operating income reported for all of last year. In order to reach this mark, net income would have to be nearly $3,000,000 greater than that recorded for November and December, 1931, when $8,451,232 was reported.

C. N. R. REVENUE GAINS SHARPLY OVER LAST YEAR

Increase of 58 Per Cent Revealed in Net for October

From Our Own Correspondent

MONTREAL. — An increase of $1,083,724 or 58.8 per cent in net revenue for October as compared with the same month last year is shown in the monthly report of the Canadian National Railways. Gross revenues showed a decrease of $1,831,870 or 11 per cent, but operating expenses were reduced by 20 per cent, leaving net revenues at $2,925,472 compared with $1,841,748 in October, 1931.

An outstanding feature of the operating results for October is the improvement in operating ratio. In October this year ratio was 79.38 per cent, compared with 88.50 per cent in the same month last year.

Figures For Ten Months

Net revenue of the system for the ten months ended October 31 showed an increase of $3,718,071, or 68.7 per cent, compared with last year. Gross revenues for the period decreased by $27,157,704, or 18 per cent, but this was more than offset by the reduction in operating expenses which totalled 21.5 per cent. Net revenues in the ten months period were $9,125,589 compared with $5,407,518 in the first ten months of 1931.

Operating ratio in the ten months period was 92.48 per cent compared with 96.36 per cent in the same period last year.

Oil Production in Alberta

During the two years since Alberta assumed control of its own natural resources, the oil fields of the province have produced some 2,657,000 barrels were naphtha from Turner Valley. In the same period, 36,276,000,000 cubic feet of natural gas have been produced.

Civic Transportation In Need of Reform

Experts Offer Comprehensive Plans to Wrest Street Railways and Other Civic Transportation Media from Morass of Financial Despair

By A. E. PARKER

Chairman, Committee on Publicity and Merchandising of Transportation, Canadian Transit Association.

City passenger transportation in many United States cities will be driven to the wall if existing oppressive taxation and the apathy of community leaders toward the transportation question is persisted in. This is the outstanding finding in an exhaustive report on local transportation problems recently carried out by a special committee of the Chamber of Commerce of the United States of America. This report is of particular interest to Canadians, as conditions in United States are very similar to those prevailing in Canada. Investors in public utility securities know how serious transportation companies problems are and the need for sympathetic consideration, by citizens generally, is very necessary. City passenger transportation, including street railway and bus lines and taxicab systems, are of such importance to every part of the community, that present conditions cannot continue without ill effects for all classes of city dwellers.

Recognizing the seriousness of this problem, the Chamber of Commerce of the United States more than a year ago appointed a national committee of 15 representative business men, drawn from widely diversified fields of interest, headed by Chester I. Barnard, president of the New Jersey Bell Telephone System. After months of study, the committee presented its report to the Chamber and the report was used as the basis of a referendum to the Boards of Trade and Chambers of Commerce throughout United States. The vote on the referendum has now been announced and ten of the eleven proposals submitted were approved by a vote exceeding two-thirds of the member organizations voting on the question.

Methods Change Rapidly

A condensed summary of the report follows:

The private automobile, the bus and the taxicab have changed the entire picture of city transportation within the past 25 years except for one outstanding group of facts, namely that street railways are still the backbone of mass transportation service in cities of over 100,000 population. No other agency can carry as many passengers per vehicle or per hour on an average city street. No other agency can transport on major thoroughfares the numbers demanding such transportation during peak hours and, no other agency lends itself so readily to the transition to rapid transit when necessary. Furthermore, no other agency shows so low a direct operating cost per seat-mile or as low an over-all cost per passenger-mile.

That city transportation systems are in a state of transition and change is evidenced by the introduction of buses as auxiliaries to street railways systems and also the substitution of buses in many of the 225 cities and towns which have abandoned street car service in recent years. It is noted that the majority of these had a population of less than 25,000 and none had more than 100,000 population.

Each of the 93 cities in the United States with over 100,000 population has local mass transportation facilities.

Problems Can be Solved

The pressing problems of local transportation systems can be solved. There are certain general underlying principles and others applicable to conditions in communities of various sizes which can be used as the basis for general and local action. Those who manage local transportation systems cannot solve their problems unaided. They are community problems and the community must take a hand in their solution. Every property owner, every business man, every wage earner has a personal interest in getting better local transportation for his community. If the local transportation systems are bearing unfair burdens, the service will suffer and each one of these groups will be adversely affected. The merchant will lose customers, the values of properties served by these systems will deteriorate, the wage earner will have to live near his job and put up with the inconveniences this will necessitate. Everybody suffers.

Local transportation is a big industry. Street railways systems alone carried 14,000,000,000 passengers in 1930 and had a capital investment of $3,350,000,000, but despite this the investing public has to a serious extent lost confidence in street railway securities. This has compelled street railway companies to curtail improvements and extensions and has embarrassed many of them in their efforts to refinance maturing obligations.

The economical use of street space is discussed and the street car is shown to be the most economical unit for mass transportation. On a through street with a 60 ft. pavement restricted to the use of automobiles 6,700 people can travel per hour, moving in one direction, provided parking is prohibited. On the same sized street, with buses and autos in use the capacity would be 11,900; and with street cars operating on a double track, 13,500 passengers can be carried still leaving room for automobiles to carry 1,700 passengers. Thus, the combined one-way capacity of such a street for street cars and other vehicles would be 15,200 persons hourly as compared with 6,700 when the street is confined to automobiles, and 11,900 when buses, taxicabs and automobiles are used.

These facts raise the question of street widenings the purpose of which is to provide more parking space instead of more traffic space and the propriety of burdening the taxpayers, including the transportation systems which are usually among the larger taxpayers, with the cost of such widenings. The committee pointedly urge that "street construction proposals should be judged as to the economic burden which communities can afford to assume, as well as to their apparent desirability."

Place of The Bus

Among recent developments in transportation the report refers to plans under way in some of the larger cities for short street railway subways, to be later extended into full fledged subway systems. Only a very heavy volume of traffic and congestion of existing traffic routes can justify the heavy capital expenditure involved in such developments.

The value of buses as feeders to street railway systems is emphasized. Service can now be given by buses to districts where the patronage would not justify the heavy capital outlay permanent track construction would require. Stub line and cross-town service can be provided at reasonable cost and where an express de luxe service is desired buses are run on street car routes for those who are willing to pay extra for this service. In the smaller communities where street railway service is not economically feasible, the bus is sometimes a practical means of transportation.

It is noted that buses are being marked out for specially burdensome taxes too, such as mileage and seat capacity taxes.

Although street cars have not been improved to the same extent as buses in recent years, this need is now being remedied. A special committee of experts have been working since 1930 to evolve a street car that will be quieter, quicker, and more attractive. Attention has also been given to the trolley bus, which where applicable, gives the flexibility of the bus with low cost of operation through the use of electric power.

Public Utility Earnings

An outstanding disability under which public utilities operate is the system of fixing the charges to be made to the public for the services they render. Public utility commissions appointed by governments fix these charges. In good times the profits of public utilities are regulated so as not to exceed a reasonable figure, say 7½ per cent. This leaves no margin for building up reserves to cover the lean years which always come. When business gets bad it is seldom wise to increase service charges because the economic law of diminishing returns immediately starts to operate, so some public utilities slowly starve to death. This is particularly the case with street railway systems which depend for their business mainly upon wage earners.

It is pointed out that the common belief that regulation of public utilities guarantees a return on investment, is erroneous. The purpose of regulation is to save the public from exorbitant rates and ensure the service to which the community is entitled, based on the earnings of the utility. And not to guarantee any particular return on the company's investment.

There has been widespread failure during the past ten years of street railway systems to earn a fair profit on their investment, while many companies have not earned fixed charges. Seven and a half per cent of the companies in the United States are in receivership and some more are on the way if relief is not given soon. In communities of from 50,000 to 100,000 population street railway systems in the aggregate have failed to earn fixed charges.

This has happened, notwithstanding many economies effected by the companies including substitution of buses for street cars on poor revenue lines and the use of the one man car.

A rather dismal outlook is indicated should present conditions not be corrected. Either the taxpayers will have to subsidize local transportation, treating it as a form of public service, or service will have to be discontinued in many communities. To have subsidies paid out of public funds to privately owned public utilities would raise another set of problems and to discontinue service would cripple the commercial, mercantile and industrial life of the communities affected.

Purpose of Regulation

Regulation can make or break a street railway. It should protect the public and at the same time stimulate efficiency and progressiveness in the transportation system. Ruinous competition which inevitably leads to a breakdown of transportation facilities should be nipped in the bud. The various agencies of transportation—street cars, buses and taxicabs—should be co-ordinated and each required to fit into its proper place in the general transportation plan. The ideal situation would be for all to be under one management. All of these agencies in a given area should be under the control of one regulatory body. To have two or more bodies regulating in one district leads to divided responsibility, friction and ineffective control.

Proper regulation pre-supposes proper control of facilities for public service. Cut-price competition from one form of transportation may ruin some other equally necessary form of transportation without providing a permanent substitute for the system thus eliminated. The inroads made on street railway and bus business by cheap-rate taxicabs is an example of this. The regulatory body should not permit transportation facilities to be made too plentiful. Competition that is ruinous eventually causes deterioration of service to the public. The power the regulating body has over charges to be made to the public enables it to control the monopolistic dangers of such a plan.

More attractive fare systems would help local transportation systems. The single rate fare which achieved popularity on a five cent basis in pre-war days does not meet present needs. Fares should be varied so as to attract off-peak business and short haul passengers. There should be special rates to encourage regular riders and inducements to other people to ride street cars. In brief, it is recommended that transportation companies adopt up-to-date selling methods and sell their services, just as an alert merchant sells his goods by judicious pricing and attractive marketing. For the taxicabs it is asserted that the taximeter is the most fair method of calculating charges. Flat or zone rates have proven unsatisfactory.

The tendency in some cities for taxicab companies to rent their cabs to drivers on a daily rental basis is not in the public interest. It leads to long hours and high accident records.

Franchises Antiquated

Antiquated and rigid franchises are outstanding obstacles to successful and serviceable local transportation. Street railway systems operating under franchises made 30 or 40 years ago, hedged about by rigid regulations, cannot hope to give as good, efficient service as those which have modern flexible franchises. Constantly changing conditions require franchises that can be promptly adjusted to meet those conditions.

The service-at-cost franchise which usually provides for an adjustable scale of fares varying with the financial results of operation, has been adopted in some communities. Two limitations to the success of this plan have developed in its practical application. The uniform rate of fare interferes with experiments in special lower fares for encouragement of traffic and there is also a tendency to weaken the efficiency of the management when they are assured of a reasonably definite profit.

Franchises should be simple, outlining broad principles only and leaving details of service operation and fares to the regulating commission. Indeterminate franchises are better than those for a fixed term of years and make unnecessary the periodical negotiations and the consequent depressing effects they cause when franchises come up for renewal.

Remedies Suggested Fair

There are ways in which public authorities can assist local transportation systems without resorting to subsidies. These ways are obviously fair and in many instances the relief they would give is long overdue.

Emphatic endorsation is given to the principle that, "all burdens placed upon street railway companies unrelated to the performance they render the public, should be discarded." Included in such burdens are:

(a) Paving charges.

(b) Snow removal and street cleaning charges.

(c) Free transportation for civic employees.

(d) Franchise or gross earnings taxes.

Paving charges are a relic of horse car days and now that automobiles use the street railway tracks more than street cars do, the charge should be consigned to the same place that horse cars went long ago. This is being recognized gradually for in the past ten years 27 per cent of the total track mileage in United States has been relieved of this charge. Snow removal, street cleaning and free transportation for civic employees, all of which are plainly beneficial to the whole community, should no longer be burdened on street railway systems as a special charge, as they are in many places. Taxes on gross earnings, sometimes called franchise taxes come in for condemnation too. When street railways had a monopoly and franchises were really valuable there was some justification for such a tax—but those days have gone forever.

In the matter of subways, street railway extensions and other street improvements the benefits derived by adjoining and nearby property should be acknowledge and a proper portion of the cost should be charged to such property and not piled on to the overburdened shoulders of the transportation system. Such plans have been suggested in St. Louis and Detroit, where it has been proposed that one-fourth and one-third respectively of the cost of new traffic outlets should be charged to the general public, and certain proportions to nearby property. This was the one proposal in the referendum that was not approved.

Traffic Regulation Important

The restriction of parking is considered to be as important to moving automobile traffic as it is to street cars, but this does not make the parking problem any less an obstacle to good street car service. Traffic regulation is an important factor in good service and while the flexible, progressive system of control is approved it is recommended that there should be some mechanical provision for street cars delaying signals a few seconds to enable quicker service to be given. The street car nominally has the right of way on its own tracks, but nominally only. Automobiles stop at signal ponits on street car tracks frequently, and it is a common sight to see street cars delayed by thoughtless auto drivers cutting in, in front of them. Bearing in mind that the street car carries more people in proportion to the street space it occupies than any other vehicle, other traffic should be controlled accordingly and not allowed to usurp the right of way under almost all conditions.

Traffic commissions to control traffic regulations are recommended with appropriate official and citizen representation. Large communities should have traffic engineers and town planning is considered to be an absolute necessity in keeping traffic conditions and facilities abreast of the times.

Public Utility Earnings

Canada Northern Power

October	1932 $	1931 $	Increase $
Gross earn.	294,696	286,164	8,532
Oper. exp.	92,059	93,730	*1,671
Net earn.	202,637	192,434	10,203
10 mos. end. Oct. 31			
Gross earn.	2,837,828	2,755,817	82,011
Oper. exp.	889,820	888,814	1,006
Net earn.	1,948,008	1,867,003	81,005

*Decrease.

Barcelona Traction

October	1932 Pesetas	1931 Pesetas	Increase Pesetas
Gross earn.	9,136,729	8,714,153	422,576
Oper. exp.	3,184,641	3,043,929	140,712
Net earn.	5,952,088	5,670,224	281,864
Aggre. gross from Jan. 1	90,790,499	88,229,832	2,560,667
Aggre. net from Jan. 1	60,054,280	57,759,390	2,294,890

International Hydro-Electric

3 Mos. end. Sept. 30	1932 $	1931 $
Gross revenue	14,971,066	15,187,788
Less: Oper. exp. & taxes	5,821,192	6,421,044
Maintenance	767,465	919,329
Net revenue	8,382,409	7,847,410
Net profit	264,738	176,298
Less appropriations:		
Divids. on Inter. Hydro-Elect. System stocks:		
Preferred	124,952	124,952
Class "A"	▲	428,502
Surp. for period	139,786	*377,156
Add: Previous surplus	7,455,607	5,877,635
Bal. carried fwd. ...	7,595,393	5,500,479

*Deficit. ▲Unpaid cumulative dividends on the Class "A" stock from April 1, 1932, to Sept. 30, 1932, amount to $858,197.

Jamaica Public Service

October—	1932 $	1931 $
Gross earnings	63,072	64,696
Net earnings	25,468	23,699
Surplus after charges	16,178	14,291
12 mos. end. Oct. 31—		
Gross earnings	793,110	833,520
Net earnings	319,288	342,329
Surplus after charges	207,709	233,024

Brazilian Traction

October	1932 $	1931 $	Decrease $
Gr. earn.	2,246,226	2,680,717	434,491
Op. exp.	987,875	1,068,873	80,998
Net earn.	1,258,351	1,611,844	353,493
10 Mos. End. Oct. 31:			
Gr. earn.	24,937,353	30,065,730	5,128,377
Net earn.	14,882,761	18,191,500	3,308,739

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News of Investment Markets

REDUCE CAPITAL CAN. LOCOMOTIVE UNDER NEW PLAN

Preferred Shareholders to Get Common Stock — Issue Income Bonds

The reorganization plan for Canadian Locomotive Co. submitted to bondholders for their approval on December 13 calls for issue of new 6 per cent first mortgage income bonds and a revision of share capital. Exchange provisions affecting bondholders were outlined in The Financial Post last week but since then details of reorganization of share capital have been made available together with a balance sheet as at October 1.

Under the new capitalization the principal amount of funded debt remains unchanged at $1,044,800 but the present 7 per cent preferred stock of $100 par value, outstanding to the extent of $1,500,000 will be converted into 15,000 new shares of no par value common stock while the present 20,000 shares of $100 par value common will be converted into 4,000 new common shares. Preference shareholders will receive no arrears in dividends on their stock.

There will be three management preferred shares held by nominees of the bondholders and these nominees will elect (or remove) directors for a period of five years. The management shares will automatically be converted into common stock at January 1, 1938. Bondholders will receive new income bonds to the par value of the present 6 per cent first mortgage bonds now held. In addition holders will receive two new common shares for each $100 principal amount of bonds held. This will require the issuance of 20,896 shares out of a total authorization of 39,896 shares.

Comparison of the present capitalization of the company with the proposed capitalization is as follows:

Present Capitalization	Author.	Outstand.
6% 1st mtge. S. F. gold bonds, due 1951	$2,000,000	$1,044,800
7% pref.; cum., par $100	1,500,000	1,500,000
Com. stock, par value $100	2,000,000	2,000,000
Proposed Capitalization		
6% 1st mtge. S. F. Income bds., due 1953	$1,044,800	$1,044,800
Common stock, n.p.v.	39,896 sh.	39,896 sh.
Management shs. n.p.v.	3 sh.	3 sh.

A tentative balance sheet of the company at October 1, 1932, is as follows:

BALANCE SHEET
As at October 1, 1932

Assets	$
Current:	
Cash on hand and in banks ...	3,209
Accts. rec., less reserve	30,220
Investments*	294,584
Accr. int. on invests.	2,702
Inventories	84,629
	415,344
Deferred charges	17,342
Fixed:	
Land, bldgs. and equipment ..	1,611,333
	2,044,019
Liabilities	
Current:†	
Trade accts. payable	22,078
Funded debt:	
6% Income bonds, due 1953 ...	1,044,800
Capital stock:	
Common‡	977,141
	2,044,019

*Grand Trunk Railway bonds guaranteed by the Dominion of Canada, and Province of Ontario bonds (approximate market value $298,897).

†Includes wages and other miscellaneous balances including estimated liability for reorganization expenses.

‡Representing 3 management preferred shares of no par value and 39,896 common shares of no par value.

Working Capital	
Current assets	$415,344
Current liabilities	22,078
Working capital	$393,266
Ratio	18.81—1

G. T. R. Provident Society Changes Name and Rules

Grand Trunk Railway and Provident Society changed its name and rules at a special general meeting held at Montreal on Nov. 21.

The name was changed to Canadian National Railways Insurance and Provident Society and all employees of the C. N. R. are to be eligible for membership.

A new rule was adopted that members temporarily out of service, due to reduction in forces, leave of absence or of suspension, shall be entitled to full membership privileges for a period of three months from date of lay-off.

Fees were also increased from 30 to 40 per cent, and sick benefit rates were increased 50 per cent. Benefits for members of the temporary employees' accident insurance are to be increased 50 per cent.

Quebec City Plans Loan to Consolidate Debts

From Our Own Correspondent

MONTREAL. — Quebec City will consolidate part of its floating debt by means of a loan in order to relieve the banks of the burden they are at present carrying for the city. The loan will be for a term of five or ten years and though definite figures have not been published it is indicated that the amount will be approximately $500,000.

Bond Tenders

Noon, Dec. 5, Municipality of Notre Dame du Nord—$5,000, 6 per cent bonds dated Dec. 1, 1932, redeemable serially from Dec. 1, 1933, to Dec. 1, 1942. J. N. Valliant, sec-treas.

12 noon, Dec. 1, Carleton Place, Ont.—$22,300, 5 per cent 20-year unemployment relief waterworks extension debentures. H. J. Leigh, clerk-treas.

6 p.m., Dec. 11, Municipality of Villeroy, Que.—$3,500, 6 per cent bonds, dated Dec. 1, 1932, redeemable serially from Dec. 1, 1938 to Dec. 1, 1947. J. A. Charland, sec.-treas.

1 p.m., Dec. 7, United Counties of Lennox and Addington—$105,000, 5½ per cent 10 installment debentures, dated Dec 15, 1932. Payable in Napanee. W. S. Wilson, city clerk.

Shawinigan's Peak Load Sets Record in October

From Our Own Correspondent

MONTREAL.—Power sales of Shawinigan Water and Power Co. during September and October, 1932, where smaller than reported for the same months a year ago, but returns for the latter month indicated a picking up of the slack.

During the past month the company sold 266,534,276 kw.h. of electric energy as compared with 279,103,694 kw.h. for the same month in 1931. September, 1932 sales totalled 233,740,172 kw.h., or 31,737,274 kw.h. less than for September last year.

The peak load in October, 1932, was 763,070 h.p., up from 711,470 h.p. for the corresponding month last year. September's peak load was 726,400 h.p., as against 687,330 h.p. for September, 1931. This sets a new record up to that time.

Credit for the improved showing is given to the installation of electric boilers on the Shawinigan system. They do not show to the full extent the ultimate benefit to be derived from electric boilers as in one case the installation was only completed toward the end of October and in another case installation was only completed toward the end of November.

It is pointed out that this power is being sold at prices which are in keeping with the cost of production of steam by coal, and therefore they do not benefit the company to the same extent as if the power were sold as primary power, but nevertheless the company is receiving benefits it would not otherwise receive.

CHARITABLE WORK AND EDUCATION INCREASE TAXES

Largest Percentage of Increase in Outlay is on Welfare

Government expenditures in Canada since 1913 on the eight principal classes of public services have increased by 200 per cent as compared with our population increase of only 43 per cent, according to a "break down" of public expenditures made by the National Committee on Economy in Public Finance.

The committee released this week another of the studies made by W. Sanford Evans, of the cost of government in Canada. His figures show that between 1913-14 and 1930-31 expenditures on education increased from $44,258,732 to $166,190,565, an increase of 275.24 per cent. Population of school age (6 to 16 years) increased in the same period by some 36 per cent, so that the rate of increase of cost was 7.6 times that of numbers of children.

Per head of the general population, $5.80 was spent on education in 1913-14 and a little over $16 in 1930-31. Most of the present active generation below middle age were educated on the 1913-14 scale. "Are proportionately better results being attained with the children now at school?" the report demands. "What new facilities are provided? Is relatively more done in the higher branches? What part is due to larger capital charges on buildings and plant?"

Protection of Public

"In the pubilc service of protection of persons and property there was an increase during the same period of 250 per cent even after deducting all expenses created by the war. The annual expenditures arising out of the Great War, when segregated, amount to a little over one-half of total expenditures on protection, while the increase on purely general protection since 1913-14 equals a figure nearly seven times the rate of increase in population. Counteracting, this 250 per cent increase in expenditures on protection, however, our total convictions for criminal and minor offences have increased 100 per cent and fire losses some 117 per cent."

"Public welfare and charity grants have been responsible for a higher percentage of rate increase than any other class. This rapid development in the extension of social services by governments represents a 575 per cent increase since 1913-14, or sixteen times the population increase over the same period. Interesting, but true, is the fact that the special unemployment relief provided in 1930-31 constituted only a moderate fraction of total expenditures on this class of services."

Names Windsor Control Board Brodie is Head

Magistrate D. M. Brodie, Windsor, has been appointed as chairman of the committee of supervisors named by the Ontario Municipal Board to take charge of Windsor's finances. Other members of the committee include Thomas Bradshaw, chairman of all other committees supervising the other defaulting municipalities in the border cities group, Chester McDiarmid and Donald McGregor, Windsor, and Archibald McPherson, London.

Windsor sought relief under the Ontario Municipal Act before actual default of principal or interest on its funded debt was made. In the application, the city council asked that all supervisors should be residents of Windsor but the Municipal Board acceded to this request only in part. Application was made to the Ontario Municipal Board only after bondholders had disagreed with the terms of the five year moratorium plan submitted by Mayor Croll early in October.

Utilize More Manitoba Woods

The Industrial Development Board of Manitoba reports that native Manitoba woods are being employed to an increasing extent in the wood-using industries of the province.

Bruck Silk Mills Earnings Show Gain

From Our Own Correspondent

MONTREAL.—Bruck Silk Mills concluded a satisfactory year on October 31 and the financial statement for that period is expected to show a substantial improvement over the previous year. The company's mills are working at capacity and unfilled orders of good volume are on hand.

In the year ended October 31, 1931, net earnings were $111,036 and net profit of $8,152 was equal to eight cents a share on the common. Annual report which will be published shortly will show sharp gains and balance sheet will reveal elimination of bank loans and a generally improved position.

B. C. Government Will Not Borrow Before Year 1943

From Our Own Correspondent

VANCOUVER. — Hon. J. W. Jones, minister of finance, states that it is the policy of the provincial government to discontinue borrowing and that financing during the next year will be through increased taxation or reduction in expenditure.

"To borrow more and increase our loans will only make our difficulties worse next year," stated Mr. Jones. "If we are to maintain the credit we still hold we must not make any substantial increase in our debt. We must pay as we go.

"We positively cannot contemplate a continuance of borrowing to make up our deficits. It is our great debt charges which represent the bulk of our problem. We wish to avoid higher taxes and the only alternative is drastic economy, meaning that the public must be prepared for curtailment of services to which it has long been accustomed."

ONTARIO TO LEVY HIGH TRUCK FEES

Changes in Passenger Car Licenses of Minor Character

Changes in motor vehicle license fees announced for Ontario involve only minor adjustments among passenger cars, but include substantial increases in fees for heavier trucks and trailers. Among passenger vehicles, light sixes (up to 28 h.p.) and light eights (up to 35 h.p.) are charged $12 and $15 respectively. Heavy sixes are charged $15 and heavy eights $20. Comparison of the 1932 and 1933 marker fees for passenger cars, trucks and trailers are as follows:

Passenger Car License Fees in Ontario

Type of car:	1933	1932
4 cylinders	$7	$7
6 cyl. (up to 28 h.p.)	12	12
6 cyl. (over 28 h.p.)	15	12
8 cyl. (up to 35 h.p.)	15	20
8 cyl. (over 35 h.p.)	20	20
12 cylinders	30	30
16 cylinders	40	40

License Fees for Trucks

	Pneumatic Tires 1933	Pneumatic Tires 1932	Solid Tires 1933	Solid Tires 1932
Under 2 tons	$10	$10	$16	$16
2 to 3 tons	24	24	33	33
3 to 4 tons	48	36	60	48
4 to 5 tons	65	55	80	70
5 to 6 tons	84	72	102	90
6 to 7 tons	98	84	119	105
7 to 8 tons	112	96	136	120
8 to 9 tons	144	117	171	144
9 to 10 tons	170	130	200	160
10 to 11 tons	198	165	231	198
11 to 12 tons	228	180	264	216
12 to 13 tons	260	195	299	234
13 to 14 tons	294	210	366	252
14 to 15 tons	330	225	375	270

License Fees for Trailers

	1933	1932
One ton or less	$ 3	$ 3
1 ton up to 2 tons	10	8
2 tons up to 3 tons	21	18
3 tons up to 4 tons	32	28
4 tons up to 5 tons	50	45
5 tons up to 6 tons	66	60
6 tons up to 7 tons	77	70
7 tons up to 8 tons	88	80
8 tons up to 9 tons	108	99
9 tons up to 10 tons	120	110
10 tons up to 11 tons	154	143
11 tons up to 12 tons	168	156
12 tons up to 13 tons	182	169
13 tons up to 14 tons	196	182
14 tons up to 15 tons	210	195

Credit Anglo-Francais Purchase Parish Bonds

From Our Own Correspondent

MONTREAL.—Credit Anglo-Francais Ltd. have purchased an issue of $150,000 Trustees of the Parish of St. Raphael of Outremont, 6 per cent bonds, maturing 1 to 25 years. The bonds will likely be offered shortly at a price to yield about 5.80 per cent.

B. C. LIQUOR SALES AND PROFITS DOWN DUE TO DEPRESSION

U. S. Departure from Prohibition Will Create Further Difficulties

From Our Own Correspondent

VANCOUVER.—Effect of modification of the prohibition laws in the United States is likely to be far reaching in British Columbia.

Consumption of liquor in British Columbia has been declining steadily in the last two years, due to generally depressed business conditions and the falling off of the tourist traffic from the United States. When the adjacent states go wet again there will be further inroads on the province's revenue from the liquor trade.

Officials of the Liquor Board state that the government's profits from the sale of beer and liquor are already down 40 per cent this year. This will mean less money for the municipalities and hospitals and the provincial government and representatives of the affected municipalities are holding a series of conferences to determine how the finances shall be distributed. With the exceptional expenditure of unemployment relief to meet, the government finds the problem of meeting the municipalities' demands extremely difficult.

Offering Beer Stock

Meanwhile, British Columbia capital is being invited to invest in a Seattle, Wash., brewery, and an issue of preferred and common stock in Washington Breweries, Inc., is being offered by Vancouver brokerage houses. Washington Breweries has concluded negotiations with Coast Breweries, Ltd., of Vancouver, to undertake the equipment and management of the new Seattle plant. The plant will be operated at 90,000 barrel production annually and on this output a substantial profit is hoped for. Several British Columbia men are among the directors of the Seattle plant, including Major W. C. Angus, John E. Day and R. H. Ullrich.

Quebec Bars Ontario Hydro From Province

From Our Own Correspondent

MONTREAL. — Earlier reports that the Ontario Hydro-Electric Power Commission had secured a power contract from the Beattie Gold mine in Northern Quebec appear to be unfounded, judging by the remarks made by Premier Taschereau.

Speaking at a political meeting in Knowlton this week, the premier referred to the proposal that the Ontario Hydro send power into Quebec. That would not be allowed, he said with much emphasis, for he did not propose that Quebec companies which pay Federal, Provincial, municipal and school taxes and pay dividends to Quebec cities, should have to compete with power that was exempt from all taxation.

Both Canada Northern Power and Ontario Hydro had been after this contract. Hydro proposed to build a transmission line to the Quebec border, from whence the Beattie mine would bring the power to the property over its own power line. The commission is understood to have offered the power at a very low rate for immediate requirements. Its expenditure on the transmission line would have run into tens of thousands of dollars in return for which it would have secured a market for an ultimate block of 15,000 h.p. with a selling value of about $22 per horsepower.

Provided Premier Taschereau maintains his present stand, Ontario Hydro has little chance of getting any business in the Northen Quebec field. Canada Northern Power's position will be strengthened, in that area at least, while it will still be subject to keen competition in the Ontario field.

FAVORS DOLLAR-POUND HOOKUP

(Continued from page 1)

way, Spain and Portugal also are large exporters of fish, but those countries are wise enough to keep their money close to the pound sterling, whereas we in Canada are obliged to accept the pound only at a very heavy discount, amounting at the present time to twenty-five or thirty per cent. I am certain that, so long as the present exchange situation continues, the Scandinavian countries and Russia will continue to control the lumber markets of England, while Spain, Portugal and Norway will get the fish market and Denmark and some of the other exporting countries in Europe and elsewhere the market for bacon and other agricultural products. The same advantage will be found by producers of Australia, New Zealand and other parts of the Empire which keep their money closely aligned with the pound sterling.

"If we are to move the commodities we have to sell into the markets of the world our dollar has either got to come down in value or the pound go up. Possibly common ground can be found by a compromise.

What is Sound Dollar?

"I believe we should pay more attention to getting markets for our commodities than to bandy a lot of talk about what constitutes a sound Canadian dollar. We should fix our eyes on the fact that a country can only accumulate wealth by the exchange of commodities, and the dollar must be made the servant and not the master of the country which it is intended to serve. If the purchasing power of our dollar was down in 1926 our present dollar can decline very considerably in purchasing power and still be perfectly sound. Its purchasing power now is close to 170 as compared with 100 in 1926.

Treaties Negatived

"Ships are not leaving the Atlantic coast the way they used to. Down there we are therefore much concerned about the question of exchange rates and so far as I have travelled over the country I find everybody talking about it. Last summer the hopes of people were buoyed up considerably by the trade treaties made between different countries of the British Empire. They were told that these treaties would be very good for them but, because of the further decline in the British pound, those treaties are now absolutely unworkable.

"In my mind there is no doubt as to what action Canada should take. I think that England is going to win out with the pound. Traders, bankers and financial men there will entrench the pound as the trading medium throughout the world before there will be any decision to go back on a gold basis, I am convinced. We find in our business that the only way in which we can do export business is with people who want to trade on the pound. Big concerns all over the world are sending money to London as a final clearing house. She is not out of international finance or business by any means. Australia borrows cheaper in London than we do in Canada or New York. If we write to any country suggesting the United States dollar as a basis for trading we do not get answers to our letters.

War Debt Unsettling

"Of course, the war debt situation is a further unsettling factor. I understand that England has $95,000,000 in New York ready to pay interest this year, and that is having some effect on the pound.

"The point I would like to make is that in the Scandinavian countries, in Great Britain, in Germany and in France there is nothing wrong with their curencies so far as purchasing power within their own borders is concerned. It is only the exchange that is down.

"It may be true that if the dollar is lined up with the pound a greater premium will have to be paid on the United States dollar, but our chief problem in Canada, it seems to me, is to get new wealth into the country. There is nobody pressing us for debts and if we get new money we can look after the premium better than we can the present needs with a lower volume of business.

"Our trade with the West Indies is down. Again exchange rate of the pound is responsible.

"It might be worth while for Canada to consider the case of South Africa. The government there sticks to gold but commercially they want to trade on the pound.

Adds to Unemployment

"In three out of four countries we cannot do business except by quoting on the pound. As I said before the pound is in the ascendancy for international trade and Canada pays dearly for keeping its dollar up as high as it does. We are losing money in the hope that stabilization will be reached somewhere along the line.

"I am fearful that exports of fish, lumber and agricultural products will suffer much more if the whole matter is not considered carefully with a view to action. The more exports dry up the more unemployed there will be on the Atlantic coast. If labor applied to land is the foundation of all wealth we have all kinds of land and labor on the Atlantic coast, but we cannot get them together under present conditions.

Can Compete on Fair Basis

"In spite of the fact that the Scandinavian countries have kept their currencies in line with the pound I am told that prices have not risen. Our labor costs in the Maritime provinces are a little higher in the fishing industry than they are in Norway, but we are much more efficiently equipped in the matter of machinery. Our lumber mills are very efficiently equipped and we have the most modern machinery obtainable in our canning plants. Put us on a level with the pound and we can compete. If we cannot compete on an equal basis with fair exchange rates, that is all the government or anybody else can or should do for us. The fact is that always in the past when we were on an equal basis we have been able to do business. Under present conditions countries are being brought in to take our trade which we never met in our markets. Spain, for example, is putting its product in Great Britain and we never had to consider her as a factor in the past.

Wants Sound Dollar Defined

"I wish they would define a sound dollar. To me it would seem that a sound dollar would be one which would work for the capitalist, the fisherman and everybody alike. The problem of trade seems to be much like the problem of the police in handling traffic on a busy city street. There is no trouble so long as traffic can be kept moving with reasonable rapidity, but there is congestion and demoralization if cars are allowed to park everywhere along the street. The remedy on the business street in the city is to stop inordinate parking and get the cars moving. To get goods moving is the first problem if our international business is to reach its old volume.

"By lining it up with the pound Canada would be putting her dollar in an advantageous position to get export goods moving. If, as I expect, London will be the world's money centre again in five years, nothing would be lost and a good deal gained for Canada. London is furnishing the world with leadership and management so far as trading goes. That is why we should step in line with her.

"To me it is of great public concern as well to bring the pound and the Canadian dollar together as it would be helpful in increasing employment. Canadians cannot possibly consume enough to put all Canadians to work. Therefore we have to take the necessary measures to get into the markets of the world."

Canadian Oil Cos' Dividends are Earned

Though sales of Canadian Oil Companies in 1932 to date have shown a moderate decline, S. H. Littlefield, vice-president and general manager, states that earnings are sufficient to cover dividends and take care of depreciation and other proper charges against operating profits.

Mr. Littlefield states that the turnover on gasoline has shown a decrease of between four and five per cent this year. He points out that this is a smaller decline than that suffered by general business as a whole.

WANTS STABILITY MAINTAINED

(Continued from page 1)

so far as external indebtedness is concerned, he added. It is much more influenced by the United States to whom it owes the greater part of its foreign debt, and with whom it trades more largely than, with other countries. Currencies, weights, measures, standards, and wage scales and tastes in transportation are largely common to the two countries and any violent pulling away from that country in the way of severing established relations cannot but be harmful internally in Canada as well. The first effect would be to work immense harm to Canada's reputation in the credit centres of the United States if the dollar were deliberately depreciated. Lenders there would see debt repudiation as a likely result eventually and that would make Canadian investments seem less attractive.

Inflation Would Fool Farmer

"Inflation of the dollar may appear alluring to exporters," continued the manufacturer. "But I think the expected advantages would prove illusory. The course of inflation cannot be controlled and later difficulties in returning to sound currency values would produce greater loss and greater suffering than if the Canadian dollar sticks to its ground.

"I know that the position of the farmer is a most difficult one, so dificult indeed that inflation might be justified if, for instance, the oversupply of wheat could be eliminated by calling money by some other name or cutting it into 50-cent dollars. Inflation of the Canadian dollar would, however, cause a greater effort to sell the wheat on an unresponsive market, with the result that the prices, as measured in sound money, would go lower. That would be the tendency, in my opinion.

"Natural products establish their price level on the relation of supply to effective demand. Depreciation of the dollar would possibly not have so great an effect upon the real prices of such goods as on goods made by manufacturers, whose products are priced on cost of services and materials. Wheat is a world commodity sold everywhere and wheat prices would be determined in world markets, as measured in sound money, irrespective of what may be done to the Canadian dollar. The farmer would probably find that the cost of things he purchased would be influenced upward by inflation much more than the benefits gained from apparently higher prices. In other words, there might be more dollars which would buy less of the goods he wants.

Benefits Illusory

"If we look a little further into the international effect of depreciation I think the benefits will be found still more illusory. The drop in exchange value of Australian currency has helped to drag down Canadian prices of wheat; and the drop in the Canadian dollar brought Chicago wheat prices down. Russia's exports demoralized world prices while it was shipping wheat because its money has no external value and they sell goods for whatever they will fetch.

Day of Reckoning Comes

"An international race of unsound currencies in various stages of depreciation could only accelerate the drop into unknown depths. There must come a day of reckoning for a country whose currency has no established value and unless a stand is made exchange must continue to be unstable, thus hampering normal exchanges of commodities between countries. The world needs more than anything else to cling to sound principles in monetary policy and the British know that very well. Their most experienced people will welcome the day when they can get their currency values based on gold at a fixed point once again. The countries which remain on the gold standard are anchors in a world adrift.

"It may be that we cannot avoid some measure of depreciation, but imports should be controlled and the main endeavor should be to use sound methods for restoring the balance between values for products produced by various classes in the country. Trade is based on exchange and these exchanges can only grow as currencies become dependable and as there comes an approximate approach to equality in the value of the goods sold or purchased. In some industries this effort to restore the balance may involve sacrifices, lower wages, lower prices of manufactured goods and lower cost of services. Each step toward equality will aid those whose position seems the worst today. That requires time, but it is better than embarking upon a sea of unknown values and heading for unknown destinations."

National Light & Power Revenue Slightly Down

National Light & Power Co. of Moose Jaw earned first mortgage bond interest 1.73 times after depreciation in the ten months ended October 31, 1932, as compared with 1.94 times in the corresponding period of 1931. Output in kilowatt hours was down 9.5 per cent for the period to 16,880,496 k.w.h.

Gross earnings dropped to $418,[illegible] from $445,679 while net available for bond interest after provision for depreciation and taxes was down to $173,540 from $198,900. Interest on the $2,213,500 of six per cent first mortgage bonds outstanding amounts to $100,000.

Summary of Week's Annual Reports

A brief analysis of company earnings per annual statements received since last week's issue. Company name in bold type indicates stocks listed in Canada or New York. Net income shown is before preferred dividend, if any. Market prices are at close on Tuesday this week or last sale.

Company	Year End	Net Income 1932 $	Net Income 1931 $	Common earnings 1932 $	Common earnings 1931 $	Curr. divid. $	Balance car fwd. 1932 $	Balance car fwd. 1931 $	Mkt.	Mkt. times earn.	Yield %
Southern Canada Power	Sept. 30	802,906	839,064	0.94	1.09	1	442,695	466,575	16	17	6.2
Medicine Hat Greenhouses	July 31	898	8,207	...	...	...	7,258	17,279	...	...	...
Imperial Bank	Oct. 31	*1,205,335	*1,323,864	17.22	18.98	10	544,744	761,909	151	8.7	6.6
United Bond & Share	Sept. 30	19,809	35,204	0.75	...	00c	180,598	88,913	...	...	...
United Farmers Co-operative ...	Sept. 30	6,519	†92,785	0.09	...	...	†79,553	†52,321	...	...	...

* Before deduction of Federal and other taxes, written off bank premises and provision for depreciation in securities.
† Deficit.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	—Sold To—	Rate	Maturity	Amount	Price	Basis
[illegible]	Nov. [illegible]	[illegible]	6%	10-yr. ser.	[illegible]	100	6%

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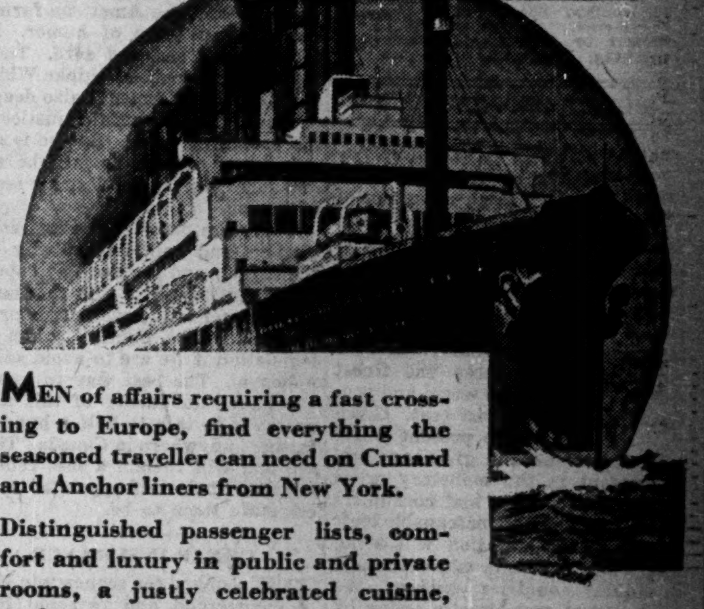

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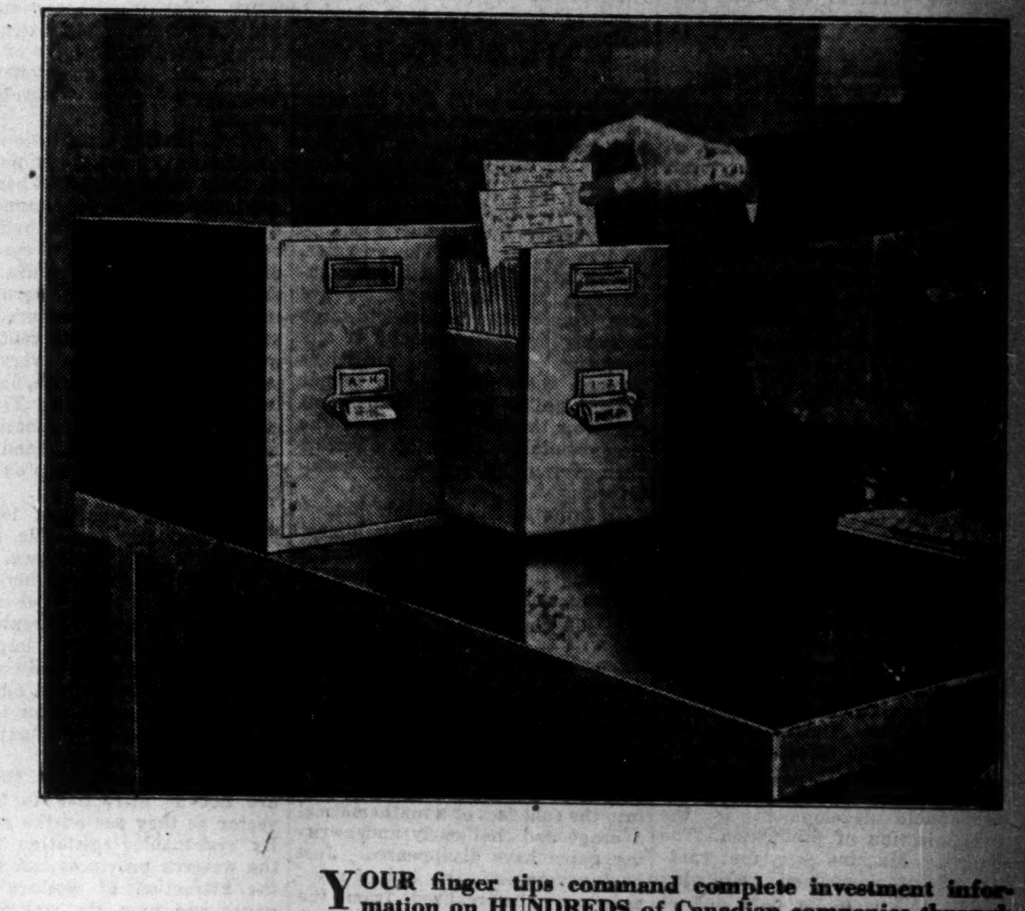

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TORONTO, DECEMBER 3, 1932

CANADA BEST SITUATED AS WHEAT PRODUCER

THOSE who preach reduction of wheat acreage by western farmers as the solution of the low price of wheat should take fully into consideration in their calculations one fact of primary importance. Canada is not a marginal producer of wheat but rather the country that produces the finest quality wheat in the world and produces it at the lowest cost. Given any revision of the present world tariff situation and given any improvement in the monetary crisis to bring producers and consumers closer together the inescapable logic of the wheat situation will bring about a reduction in wheat acreage in other countries without the necessity of such drastic action by Canada.

There are vast acreages of land in the United States, Central Europe, Argentine and Australia now planted to wheat, that could, under normal circumstances, be more economically employed for other purposes or that should not be employed for agriculture at all. These are the marginal lands that economic pressure will remove from the wheat picture in time.

If Canada were to announce a farmers' holiday or any substantial reduction in its own wheat acreage the immediate result would be increased plantings of wheat in every other country with an intensification of the surplus problem of surplus. And international action to reduce wheat acreage is an illusion, as the last world wheat conference in London convincingly demonstrated. In the first place, Russia will not enter into any international agreement that insures to Canada and other overseas countries their war and post-war gains. And the overseas countries would be making an unnecessary sacrifice to meet Russia's wish that the 1914 relationships in production and export be re-established.

In the world wheat battle Canada is equipped with the strongest armaments.

FIVE DAY WEEK IS WORK SHARING

SOME of the concerns that are now adopting the five-day week may never return to a six-day basis of operation. The five-day week is the answer of modern society to a pressing economic problem. The business organization of society is not yet ready for universal acceptance of the five-day week but its adoption is undoubtedly coming on a wide scale. Another generation may even see the four-day week and much shorter working hours each day.

A generation ago the standard working hours for laborers and mechanics were from seven o'clock in the morning to six o'clock at night with one hour off for the dinner pail. Saturday afternoon was little observed as a holiday in factories. The advance that has been made since that time in shortening working hours to a standard 44 to 48 hour week represents a greater advance than we shall have to achieve in the shortening of hours if we are to make the five-day week or, alternatively, the forty-hour week effective.

The fundamental fact that is making shorter working hours an inescapable development is the mechanization of production. The maligned Machine Age, that ranting philosophers and reforming zealots tell us is the dark day of modern civilization, can be made the age of leisure and intellectual enlargement. To produce all the goods that the world requires for the highest possible standard of living it is necessary nowadays to employ physical strength and drain human sweat for a brief number of hours. The machine has released man from bondage to hard-fisted toil. It had definitely added billions of hours yearly to the free moments of mankind.

What have we done with these new and freer hours? What we have done with a large percentage of them can be seen in the spectacle of 30,000,000 jobless people walking the streets of the world, living off meagre savings or off the bounty of the state. This is the great tragedy of modern civilization but to blame it on the machine is like calling the automobile a menace because misuse of automobiles kills or maims several hundred thousand people every year.

The significant advance that the economic system will be able to achieve, given time for slow acting mass minds to adjust themselves to the faster working of inventive genius, will be to translate the unstated leisure of the technologically unemployed into the expansive leisure of all the people.

In the five-day week world industry is simply groping, and not entirely in the light, for the means of accomplishing this transformation.

It will be noted that those who are giving leadership in the necessary laboratory experiments are the leaders of capitalistic industry themselves which is in itself a rather pointed commentary upon the radical and views of amateur social economists.

But while the five-day week is in the making, it will merely defer its ultimate acceptance to attempt to force it to an issue now. The American Federation of Labor has already declared for a working week of five days of six hours each. It is a high ideal for which such an organization should strive but it should be content if it achieves its objectives after 30 years of educational work.

WESTERN FARMER WILL SEE IT THROUGH

WILLIAM ALLEN WHITE writes in the Saturday Evening Post that the American farmer has lost his sense of humor. He is grim and sad and sore. There may be danger ahead, thinks White. The Canadian farmer is also deeply stirred by the essential injustice of his present position. But he is not grim, even though he may be sad and sore. Nor has he lost his sense of humor.

There are many parasitical associations and politicians, living off the farmer and professing to speak for him, who tell us that the Canadian farmer is in revolt; that prosperity must be found for him by legislation if we are to avoid social upheaval. The best way to assure oneself of the falsity of this allegation is to talk to half a hundred farmers anywhere in Canada. They are and will remain a less radical lot than their self-appointed leaders state them to be.

CHEAP INSURANCE

THE demand for economy in both commercial and personal budgets has proved a golden opportunity for the merchandiser of "cheap" insurance in the fire insurance field. Rate-cutting ranging anywhere from 20 to 50 per cent has become a common thing and some people are even beginning to wonder how the tariff or "board" companies can continue to do business much longer at the old rates which seem so ridiculously high in relation to the price for which an apparently similar commodity can be purchased elsewhere.

The theory of the tariff insurance rate structure, developed from a long background of experience, is simply the striking of an average rate in each of many areas and classifications subject to risk. If this principle is conscientiously followed, the final rate will be no better and no worse than any other "average," and as such will obviously leave itself vulnerable to anyone who is careful to choose only the one or two select risks which are likely to be at the "top" of the average. Thus a valid criticism of tariff company practice has been that the classifications have not been drawn sufficiently closely and many good risks have accordingly not received the consideration they deserved but have been loaded unduly with the loss cost of unprofitable or less-than-average business.

It is at this point that the non-board company often steps in and by picking and choosing its risks is able to make a slightly better selection than the "average" business of a large company, and in turn pass on this saving to policyholders by means of lower rates. Other factors such as lower commissions and expense ratios are also important factors towards economy but it is doubtful if any company can save sufficient through these channels to permit payment of a 30, 40 or 50 per cent cut from tariff rates, unless the fundamental principle of a better-than-average selection is maintained.

In order to achieve this better-than average selection it is almost a sine qua non of success that a company maintain its business at a comparatively small volume so that unusual care be exercised in the writing of business. If the ambition is suddenly born to write a volume of business comparable to the big tariff groups, there is bound to be an inevitable sacrifice of selection and sooner or later the company will find that its warmly-cherished advantage has vanished into the cold fact of a mathematical average and that early underwriting gains have disappeared. Just how inexorable is this law of averages may be realized from the record of federal licensed fire insurance companies over the past 60 years which shows that from 1869 to 1928 the underwriting profit of all companies doing business in Canada was less than five per cent of net premiums written. In the past three years the ratio was barely above zero.

Of course as long as a company is increasing its premium income at a rapid rate it can momentarily defy the law of averages and can disguise an adverse selection by reason of the fact that losses cannot catch up. Once the inevitable slackening in growth takes place and premium income begins to level out, it is only a very short time before losses shoot through the top and troubles begin. This at least has been the history of fire insurance experience in past decades and although it is twenty years since Canada experienced any substantial trouble in this respect, there is no reason to believe we are any more immune from this situation now, than we were two decades ago, when many companies after a few years of spectacular but unsound growth, fell by the insurance wayside.

Out of every thousand risks there are a few which are eligible for low rate insurance and a careful underwriter who is satisfied to write this preferred business can doubtless glean for himself and his policyholders the benefits of wise selection. So far so good but the underwriter who attempts to build a huge volume of cut-rate business on the assumption that he can continue to "play" the law of averages, is doomed to disappointment. If such tactics persist in Canada there will come sooner or later a day of rude financial awakening in the fire insurance business.

BIG TREES GROW THEIR OWN ACORNS

ERAS of combination, merger and development of giant corporate enterprises are usually times of general prosperity. This is not because the huge financing operations that are necessary create prosperity although they do help to pump a little gas into the stock market balloon. It is because the glare of prosperity must be present to blind the investing public to realities or they will refuse to accept the excessive capitalizations that are attached to so many large mergers.

But when the testing time comes, in a period of depressed business, the excessive capitalizations wilt under the strain. The present is the period of reorganization and at the end of it a great many hundred million dollar companies will turn out to be twenty-five million dollar companies. But in the meantime the desperate attempt to justify the hundred million dollar capitalizations is hard on ambitious young executives. Many of them will find their heads lopped off in the process, until directorates finally realize that it may be foolish to lose good men simply because they have fallen down in the achievement of impossible objectives that have been set for them.

But the wholesale dismissals of key managers and executives of big corporations is having the effect of restoring the competition of the smaller unit in business. When a man is let out of, say, a big face powder company, after 20 years of doing nothing else but making and selling face powder, the natural outlet for his energies is in the establishment of a very small one-man face powder factory which will carefully avoid all the mistakes made by the face powder trust, and take advantage of general distrust of the huge corporation.

Big mergers that fire good men because they cannot produce the results that the promoters promised to investors are simply creating a lot of new competition for themselves. But this is the inevitable way of business. Mergers create small businesses as fast as they eliminate them. Big trees from little acorns grow and when they are big trees they produce more acorns to continue the process.

WHEN EIGHT PER CENT MEANS A LOSS

THE prevailing rate of interest for farm mortgages in Western Canada has been for a number of years eight per cent. To the radical politician eight per cent spells usury. The insurance companies and other lending institutions that have exacted such a rate of interest on their loans to farmers are pictured as greedy beyond all reason.

Most lending institutions are content to get a net six per cent on their investments. When they get less than that they cannot pay five per cent interest to thrifty debenture buyers nor pay reasonable dividends to holders of life insurance policies. Yet western farm mortgages have not produced a net yield as high as six per cent. The average, taking the very best years with the worst ones, has been less than 5½ per cent. The balance has gone to maintain the necessary officials to handle the loans and to cover losses on loans, chiefly the latter.

Millions of dollars of loanable funds, formerly available to the west, have been withdrawn. Were it possible to get anywhere near a net return of even 6 per cent on these loans the money would have remained. Legislation impairing the value of security and competition from governmental agencies, that have bonussed farm lending at the expense of the taxpayers, have driven them out.

High interest rates in the west are not as attractive to the investor as they see on the surface. By reasonable legislation though the western provinces can restore the attraction of western mortgages and pave the way for the day when plenty of money will be available to the western farmer at the rate that city mortgagors are asked to pay.

Even eight per cent is better for the farmer than no credit at all or the ten per cent rates that prevailed before lending institutions went in. A few years ago one of the editors of The Post was in the Peace River country. He was talking to a group of farmers. They asked him if he could induce one of the loan companies to loan money in Peace River. "We have to borrow from the few wealthy farmers and townsfolk around here. They charge us ten per cent" was their complaint. Eight per cent looked good.

The Canadian people as a whole are indifferent to the gamble of millions of their public funds on the St. Lawrence seaway. But some day they may be appreciative of the American interests who are now vigorously opposing it.

POST-scripts

BENNETT Buggies is the name given to the latest mode of conveyance in Saskatchewan. In the good years farmers had their own automobiles. The old-fashioned horse and buggy went out of style. Along came hard times and the scarcity of cash made it impossible for the farmers to buy gasoline to run their automobiles. Still it was necessary to get into town, and with no money to buy gasoline to run their motor cars or money to purchase a new buggy, what was a poor farmer to do? The answer to this question is to be seen on the main street of many a prairie town. Some bright farmer took the axle and wheels off the front of his automobile, added a shaft and a home-made seat. Now many farmers are riding to town on rubber tires, but the motive power is not the gasoline engine but the ever-faithful Old Dobbin.

WE REPEAT Western stories with considerable timidity. The last time we ran some amusing yarns of how western farmers were philosophizing their way through the depression we were sharply checked up by a western newspaper which accused us of making a joke of the bitter distress of western people. Nothing was farther from our thoughts. In fact, we published the stories in high admiration of the debt-burdened, price-stricken agriculturists of the prairies who could joke their way through trouble in the manner that the British people sang their way through the war years.

On a recent western round we picked up some more depression stories which we present this time with the humble request that no one take offence.

We bumped into one Winnipeg gentleman who runs half a dozen large farms. He was trying to demonstrate to us how the farmers had reduced their costs to enable them to get by even on fifty cent wheat.

"Why look what I've done on my farms," he said, "I've owned them for thirty years and I lost less money this year than ever before."

Then there is the story of the farmer who worried so much at the time of the 1929 market crash, when he could not raise $200 to cover his margins, that he went out of his mind. He was put in the asylum and spent his days going around among the other inmates trying to borrow $200. One day he escaped. The wardens went out hunting for him. Everywhere they enquired they told about this certain lunatic's habit of trying to borrow $200 from all the people he met. On their rounds they went into a nearby bank. They said to the manager "If a farmer comes in here and says he wants to borrow $200 he's crazy."

The manager looked at the wardens for a moment. Then he said "I'll say he is."

Near Regina there is an old Dutch farmer who had $500 tucked away in a sock. He decided that it might be safer in the bank but he was not sure of that because he had heard a lot about the trouble the banks were having collecting their loans. So he said to the manager: "Here was $500 that I should want you to keep it for me. But I don't want that you should loan it to nobody. Maybe you not get it back. I tell you what I want you maybe to do. You put it in the vault all by itself and don't loan it by any farmer. Just keep it there. If it takes up too much room just you tell me. I be glad to pay you storage on it."

As Others See Us

Cheaper to Pay the Freight

The Halifax Chronicle.—In Canada all our canals, the whole of which, with one slight exception, are situated in Central Canada, have been paid for out of the public treasury. Vessels pass through them free of tolls. The taxpayers of the whole Dominion pay the piper for this special privilege given to shipping. Why freight should be given carriage free of tolls through canals and not on the railways receives no answer. Why should one pay while the other goes scot free, the taxpayers carrying the load?

The Financial Post points out that the same policy is in vogue in the United States with the exception of the Panama Canal which pays its way. It is interesting to note that the officer in charge of the New York barge canal says, that "It would have been cheaper for the State if all the freight carried on the canal had been put in railroad cars and the State had paid the freight bill."

Yet in the face of fiascos like this, it is proposed to build the St. Lawrence Waterway, spending huge sums of public money, which the country has not in the treasury, calling upon the taxpayers of the whole Dominion to carry the load, and further injuring the railways in the process. That is, the taxpayers shoulder an additional burden, the result of which is to increase the already too heavy railway burden they are carrying now. Would it not be better for Canada to pile the freight, which the proposed canal or waterway would carry, into freight cars and pay the freight? It would pull the railways out of the mud at any rate and leave the country facing another enormous expenditure. Not that we are proposing such a measure, but it goes to show the folly of launching out on a great waterway expense, which would be a dead-head as far as revenue is concerned and plunge the taxpayers further into the mire.

Advice to Home Smith

Sault Ste. Marie Star.—The other day Mr. R. Home Smith, of Toronto, got up at a gathering and drank some "amber fluid" out of a flask he fished out of a rear pocket. The Financial Post chided him about it, although this column has personal knowledge that Mr. Smith never takes anything for a cold unless he really has a cold, and The Post intimated it was bad advertising.

It is a moot question if there is any such thing as bad advertising. And if there is we have confidence that Mr. Smith wouldn't be guilty of it. For as he explained to the meeting of advertising men he got all the advertising he needed at no cost. He simply, he said, teased the Telegram and the Globe, and they always responded with a column.

There is this strange fact about all publicity, good or bad,—a month afterward all the public recalls about the puff or the roast is that you were important enough to notice. For the life of him, your best friend can't remember the details.

That is a basic fact. It is also a fact that many men are helped by unfavorable publicity. Further, it often happens that the man all the newspapers support, is licked out of his boots. Candidates who get all the applause often lose, you will have observed.

Home Smith is an exceedingly smart man. But as one in whose future this column is concerned we disapprove of the flask trick. It was too obvious, and shouldn't have been pulled in meeting. One of the reporters present might have put the editors next, and that's killing the goose which lays the cackle.

Lay off, Home! Stick to legitimate burrs like Brule Lake and Amulet.

"Stop Me If You Have Heard This One"

Rastus Jackson, thoroughly married, was one day approached by a life insurance agent.

"Better let me write you a policy, Rastus," suggested the agent, diplomatically.

"No, sah," declared Rastus emphatically. "Ah ain't any too safe at home as it am."

The World at Large

An Occasional Department Discussing World Economic Affairs That Affect Canada

War Debt is Problem For Congress

By M. M. WILNER

WASHINGTON. — The short session of Congress will find economic problems of exceptional magnitude pressing upon it. This is not the Congress chosen at the November election, but its predecessor, holding over from 1930. As the time of a "lame-duck" session is limited and many of its members have been rejected for further service by their constituents, the recognized rule of political etiquette would require that it do nothing more than to "make the appropriations and adjourn." In fact, the work of examining, through committees, the requests of the different departments of government, granting them needed funds for the coming year and providing the taxation for raising the money is such a big job in itself that three months afford scant time for it, even if there is no diversion of attention to other matters. The short session which is about to open, however, will be confronted by several matters too urgent to be set aside without any attempt at action.

Of most immediate importance is the international-debt question. The extent to which the decisions regarding the debts have become a responsibility of Congress is not appreciated fully by many commentators. There was much significance in the fact, though it had little prominence in dispatches, that at the time of the conference between President Hoover and President-elect Roosevelt, 14 of the principal leaders of the Senate and House were invited to a consultative meeting with the President's cabinet. This in itself was a very unusual procedure. The subject of the discussion was revealed by the announcements that the congressmen convinced the President of the impossibility of securing at this time legislation authorizing a debt commission.

It is this attitude of Congress, therefore, which has given the prevailing turn to the policy of the United States at the moment.

* * *

THE conference between Mr. Hoover and Mr. Roosevelt showed that the present and the coming administration are of the same mind on these points:

That the debts represent actual loans and should be paid:

That the debtor governments should be dealt with individually;

That settlements must consider capacity to pay;

That the debts to the United States have no relation to war reparations.

President Hoover, however, wished to accompany his refusal to suspend the payments due on December 15th with an assurance that payment would be followed by an agreement on an international commission to take up again the entire subject. He suggested that the membership of the commission would be identical with that of the disarmament and economic commissions, thus bringing the debt problem into close association with the others. He held out a prospect that concessions extending markets and revised information on capacity to pay might justify considerable adjustment of the debts. Mr. Roosevelt, without expressing unalterable dissent from these ideas, did not declare any specific desire for a commission, such as might have influenced congressmen who wish to bring him the support of the legislative branch after he assumes the presidency. As a consequence, the objections expressed by the 14 congressional leaders at the meeting with the cabinet left the United States in the position of making unqualified demand for payments on December 15th without any promise that it can enter into a new examination of the subject through a debt commission.

Nevertheless, it is apparent that President Hoover will send his recommendation for a debt commission to Congress as representing his personal conception of a correct policy. It hardly can be referred to a committee and forgotten, and the session probably will have to devote considerable time and talk to the debt problem.

* * *

OTHER matters, outside the regular appropriations, which will be pressed upon this session will be:

Immediate payment of the bonus to war veterans;

Increased grants for public works in the interest of the unemployed;

Inflation of the currency with a view to restoring the 1926 scale of prices.

Restoration of beer sale on some basis.

The latter idea is a special recommendation of the National Grange and is likely to be urged strongly enough to become a subject of sharp division.

Another weird proposal for restoring prosperity to agriculture is called the "Domestic Allotment Plan." It would impose a tax on the domestic sales of major products, such as wheat and cotton, and distribute the proceeds as bounty to the producers. In the case of wheat the tax would be 42 cents a bushel, equalling the duty imposed on imports. The proponents of this idea are gaining a degree of attention from politicians, which indicates that they will make it the lineal successor to the demands for an equalization fee and a debenture. While they may attempt to bring it to a vote in Congress during the present session, their efforts are directed mainly to the next administration.

POLITICIAN IN WHITE HOUSE

WHILE the United States people always like to feel that they have a business man in the White House it is almost more important that they should have as the occupant of the chair of Washington and Lincoln a man who is an astute politician. Under the American system the executive and the legislative power are sharply separated and the president can put into force his own ideas on many important questions only if he can swing Congress to pass the necessary bill to implement his views.

This fact is of interest to Canada. The last Smoot-Hawley tariff bill, that dealt Canada the final punch in a long sequence of American tariff uppercuts, was stampeded through Congress by the wilder horses of the House and the Senate. It was thoroughly repugnant to President Hoover and had he wished to use his influence and jolly the Senators a bit he could have killed off the worst features of the House bill. But, academic in mind, Hoover stood on the principle that the executive should not interfere in law making and the bill went through.

This was fairly early in Hoover's term. Later he swung over in the opposite direction and in attempting to dictate the legislation Congress should pass he offended that body needlessly.

It is unlikely that Roosevelt will have the same difficulty handling Congress. Not only has he a group of plum-seeking stalwarts of his own party to deal with but he has the political ability to handle other politicians. Nor will Roosevelt have any group of radical mid-west Republicans to deal with. He is inclined to be what American business men consider safe and sound and in the main can keep his Congress of the same bent.

* * *

BUSINESS AND WAR DEBTS

UNITED STATES Chamber of Commerce seldom acts in a manner to embarrass the administration at Washington and its stand on the war debts is not unlike the expressed policies of Hoover and Roosevelt.

Modification of debts due the United States from European governments, conditioned upon relief for American taxpayers in the form of trade concessions and reduction in armaments, is recommended in a report to the Chamber by a special committee, of which Silas H. Strawn, former president, is chairman.

Summarizing its conclusions, the committee says:

"Further postponement of payments should be authorized on a temporary basis in the case of those debtor countries showing inability to make present payments.

"Upon a debtor country showing material change in the bases of the existing debt agreement, the United States require any modification that will promote the best interests of the United States.

"The best interests of the United States require that any modification for such treatment of our trade by the debtor country as will assure access of American goods to its markets on fair competitive terms.

"The best interests of the United States require that any modification should be conditioned upon reduction in expenditures for armaments.

"Proposals for the United States to cancel war debts owed to it by other governments should be rejected."

In opposing cancellation, the committee says that it "has examined the various arguments that have been made in favor of cancellation of the debts and finds no good reasons either in the interest of world recovery or in the self-interest of the American taxpayers and business men for acceding to such proposals. The integrity of inter-governmental debt agreements entered into voluntarily and in good faith should be maintained. It is only with the maintenance of confidence in obligations of governments that the free flow of credit in international channels, on which world recovery and world advancement so largely depend, may be expected to continue."

Ottawa's Dose of Inflation

The Lethbridge Herald.—Says The Financial Post:

"While Conservative supporters thumped on their desks and amid songs and cheers voted down a Progressive motion last Wednesday that the Canadian dollar be inflated to a parity with the pound sterling, the financial experts of the federal government were busy launching the most important monetary transaction which has taken place in this country in more than a decade and which definitely provides for Canada a mild dose of inflation, amounting (if used to the full) to about 12 per cent of our present note circulation."

Inflation was all wrong in the minds of the Conservative back-benchers when Mr. Coote, of Macleod, suggested it. But it was all right when proposed and put into effect to a certain degree by the Conservative Government.

However, we need not quarrel with the sheep-like attitude of the back-benchers. The main thing is that the Government has seen the light and is endeavoring to bring the Canadian dollar more into line with the British pound sterling. It is possible that the movement may go so far as to wipe out the tremendous losses we are encountering in shipping our wheat to Britain, and it may—hardly likely—result in the customs department cutting down on the ridiculously high dumping duties levied against British imports to Canada with which Britain hopes to pay for our wheat.

A Compromise

The Sydney Post.—The Financial Post says that the Duff rail report is a disappointment to the C. P. R. in that it does not recommend amalgamation, and that the railway bill introduced by Senator Meighen will be so amended in committee that its friends will never recognize it. Almost all of the measure that will survive, The Post predicts, will be the clauses which substitute three trustees for the existing directors of the C. N. R.

It is known that the Duff report is a compromise prompted by deference to supposed public opinion rather than a judgment based on the Commissioners' expert knowledge and ideas of what would be best for the country. This is unfortunate for two reasons,—it detracts from public respect for the report, and also from its actual value as the basis of the Government's policy of transportation reform.

It is an open secret that most if not all the members of the Duff Commission were in favor of complete amalgamation of the C. P. R. and C. N. R. This being the case, it is most unfortunate that they did not say so. What the country wanted was a judicial report, not necessarily a popular one.

Pembroke Standard, Observer. — Speaking of economic conditions a writer in The Financial Post says that we should adjust ourselves to conditions as they now are. That's common sense, far better than looking around the corner for something which has failed to appear.

Leather Glove Production Was $3,123,370 in 1931

The production of leather gloves and mitts in Canada in 1931 amounted to 420,205 dozen pairs, a decrease from the preceding year of 51,799 dozen pairs, or 11 per cent. The total value of the factories was $3,123,370, a decrease of $934,159, or 23 per cent. Working gloves comprise the chief part of the output, the total under this heading in 1931 amounting to 305,399 dozen pairs, compared with a total of 114,806 dozen pairs of dress gloves.

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GOLDEN ANNIVERSARY
1882 - 1932

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Business Conditions in Canada

The Week in Business

Exchange Fluctuations Dominate Again

Auto Export is Good Sign

U. S. Finds Hope in Seasonal Dullness

BUSINESS interest this week has centred largely on the wide fluctuations in foreign exchange. The disturbing war debt outlook forced sterling down roughly 10 cents during the week to a new all-time low of $3.17 in terms of United States dollars or a drop of 3.06 per cent. Canadian dollars in terms of United States currency followed closely and weakened about 2½ points or roughly 2.9 per cent. Thus it would seem that irrespective of specific factors of visible and invisible trade items, the foreign exchange markets are interpreting Canadian funds in terms of sterling, rather than the American dollar, and if this be true, further weakness in the pound during the critical period of debt discussion that is imminent, may be expected to develop corresponding weakness in the New York price of Canadian dollars.

This does not mean that there is any official indication of Canada having decided to inflate her dollar to the level of the pound sterling, for present indications lead to the belief that nothing further will be done in this respect. It does reflect a feeling that Canada is for the present at least determined to maintain her dollar somewhere between the two points, in which case it is only a natural inference that any weakening in the price of sterling in New York which creates a wider spread between United States dollars and pounds, will open the way for at least some decline in Canadian dollars, if the relative position is to be maintained.

Obviously this is only one angle of a many-sided problem but it probably reflects and crystallizes the thinking of those who are buying and selling between the three countries. It brings into even bolder relief the vexed question of just what position Canada should adopt as between the two currencies.

* * *

OF THE weeky records, there is little of encouragement, for additional data available since last week confirms earlier impressions that business activity in Canada during October was at new low ground. Electric power production figures just published, indicate a more than seasonal falling-off and wheat prices have shown further weakness with little activity in foreign trade. It is anticipated, however, that international activity will increase substantially in a very short time as Argentine and Australian crops come on to the market.

The most encouraging feature of the week was the further gain in passenger automobile exports. Although domestic production fell to new low ground for the year, export output soared sharply to within a few units of the July hign mark. This business, it is believed, is due almost entirely to Ford contracts with the British company, and is an encouraging feature of the industrial situation. Incidentally these Canadian cars are getting fine publicity in England just now although unfortunately there is no indication in the advertising that they are a Canadian product.

* * *

AN INTERESTING comment on the current business situation in the United States is contained in the following paragraph of the weekly market letter of Hayden, Stone & Co., New York.

"Except in periods of great expansion, this is invariably a drab time of year, and with exhaustion from three years of depression, with the downward course of business arrested only within the last few months, and the future still so cloudy, it is no wonder that this year should not prove an exception to the rule. We look back on the 1920's as an era of great prosperity. and so it was, but we forget that five years ago, in the very midst of this very prosperous, era, there was a sharper seasonal reaction than we are experiencing today. To be sure, this reaction came after two years of excellent business, but the fact that the seasonal letdown now is no sharper than it is would indicate, as much as the improvement in the summer and early fall, that the bottom had been plumbed."

Stumpage Rate Cut in N. B.

It is announced in New Brunswick that the Government has reduced the stumpage rate on saw logs including hardwoods and soft woods 50 per cent, from $2 to $1 per thousand feet, and the rate on pulpwood from $2.70 to $2 per thousand feet. The reductions will apply to the season of 1932-33.

SEASONAL SLUMP CAUSES DECREASE OF EMPLOYMENT

Maritimes Was Only Area of Canada to Improve at Nov. 1

More than seasonal contraction in industrial activity at the end of October and the first of November sent the index number for employment in Canada down to 84.7 at Nov. 1 compared with 86.7 at Oct. 1 and 103.0 on Nov. 1, 1931, according to the Dominion Bureau of Statistics.

Pronounced seasonal curtailment took place in manufacturing, notably of lumber, food and iron and steel products. General declines in factory employment were smaller than those recorded at the beginning of November in 1931, 1930 and 1929, although they exceeded the losses in most of the earlier years of the record.

Continued improvement was shown in textiles, and pulp and paper mills were also more active. Among the non-manufacturing groups, there were reductions in communications, transportation, construction and services, with increases in logging, coal and metallic ore mining and retail trade. These changes were generally seasonal.

Maritimes Gained

Considerable increases in employment were registered in the Maritime Provinces at Nov. 1, especially in manufacturing (notably of iron and steel products) and in logging, coal mining and highway construction. All four other economic areas showed decreases. Among leading cities, Hamilton, Ont., and Windsor and the Border Cities showed increases, while Montreal, Toronto, Quebec, Ottawa, Winnipeg and Vancouver had reductions in employment at Nov. 1 as follows:

Montreal.—Trend of employment was downward, 5,007 persons having been let out from staffs of the 1,120 reporting firms, who employed 125,651. Manufacturers, construction and transportation reported reduced activity, while there were gains in retail trade. In the manufacturing group, there was curtailment in textile, leather, tobacco and beverage and iron and steel plants, the latter reported a very large share of the general decrease. Declines had also been noted on Nov. 1, 1931, but the index was then several points higher.

Quebec City.—Employment showed a falling off in Quebec, according to 152 employers of 12,364 persons, compared with 12,554 on Oct. 1. Construction and manufacturing indicated contractions, while other industries recorded only slight changes. Employment was in smaller volume than on the same date of last year, although larger losses had then been noted.

Toronto.—There was a reduction in the number of workers of 1,229 firms in Toronto, who had 110,929 persons in their employ, or 918 fewer than in the preceding month. Most of the decline took place in manufacturing (notably in iron and steel), and in building and transportation, while trade was seasonally busier. A much larger loss had been registered at the beginning of November of a year ago, but the index was then higher.

Ottawa.—Curtailment was shown in construction, while manufacturing was slightly more active and the changes in the other groups were small. The 156 employers furnishing data reported 11,983 workers, as against 12,032 on Oct. 1. Employment was in less volume than on the same date in 1931.

Hamilton.—Employment continued to increase slightly, the 241 co-operating firms employing 24,503 persons, or 66 more than at Oct. 1. Manufacturing was brisker, chiefly in the textile and iron and steel groups, but building and transportation afforded less employment. A small increase had also been reported on Nov. 1 of last year, but the index was then higher.

Windsor and the Border Cities.—Activity in the Border Cities showed an advance; 135 employers reported 7,978 persons on their payrolls, compared with 7,469 at Oct. 1. The improvement took place largely in automobile plants, in which, however, activity was generally less than it had been in the weeks intervening since the last report. Reductions had been indicated on the same date of a year ago, but employment was then a few points above its level on Nov. 1, 1932.

Winnipeg.—Employment was slacker, according to 394 firms employing 34,882 workers at Nov. 1, as compared with 35,332 in their last report. Trade reported seasonal advances, but manufacturing (particularly iron and steel works), transportation and construction released help. A greater falling off had been recorded on Nov. 1, 1931, when employment was, however, at a higher level.

Vancouver.—There was a downward movement in Vancouver, where 342 employers had 27,151 persons on their staffs, or 230 fewer than in the preceding month. Manufacturing, on the whole, showed no change, while trade, transportation and communications were quieter. Employment was not so brisk as at Nov. 1 of last year, improvement having then been reported.

Wheat Stocks in store on Nov. 18 were 238.810,174 bus. compared with stocks of 241,487,070 bus. a week before and 181,767,541 bus. a year before.

Wheat Exported in the week ended Nov. 18 amounted to 6,968,759 bus. compared with 6,241,786 bus. in the previous week and 4,638,020 bus in the corresponding week of 1931.

Maritimes and Br. Columbia Alone to Gain in October

Business Volume in Economic Areas Shows Decline in Past Month in Other Parts of Canada

By SYDNEY B. SMITH

Fundamental improvement in economic conditions during the last five months has not yet been reflected in the composite trend of the five industrial areas. Greater resistance to further decline is about the most hopeful statement that may be made in regard to the actual volume of business in the last six months. The official index of business operations recorded a new low point in April followed by gains for two months, the increase being wiped out by subsequent reaction. The index of employment in manufacturing plants after seasonal adjustment showed gains at the first of September and October but declined again on November 1 to a new low point on the present movement.

In the United States, gains in business were recorded in August and September with practical maintenance in October, but very little can be claimed in the way of business recovery on this side of the border.

Maritimes and B. C. Gain

As a matter of fact seven factors with seasonal adjustment selected. because of availability for the five economic areas, showed considerable decline during 1932, a decline which has not been reversed in recent months. The trend was not greatly changed in October, although moderate gains were shown in the Maritimes and British Columbia. In the three remaining areas the declines which had been in evidence since the early months of the year were continued.

Maritimes — After a considerable decline in August moderate improvement was shown in the Maritime provinces during the last two months. Employment in industrial pursuits showed a gain in October contrary to seasonal tendencies. The gain was fairly well distributed. Pulp and paper, textile and iron and steel plants made a good showing during the month, while coal mining was more active. It is reported recently that the Dominion Iron and Steel Co. had a force of about 1,356 men on their payrolls, with No. 1 blast furnace and two 100-ton and three 50-ton open hearth furnaces in operation.

New business obtained by the construction industry after seasonal adjustment showed a gain in September. Sales of life insurance and placements by government employment offices also showed gains. Output of electric power and bank debits declined. The net result was that the business index for the Maritimes was 96.2 compared with 94.9 in September.

Quebec.—The statistical factors for Quebec were mainly unfavorable in October compared with the preceding month. Building permits were $1.-289,000 compared with $455,000 in September, the gain in contracts awarded being less than normal for the season. The average daily output of electric energy was 24,632,000 kw.h., compared with 22,918,000 but according to seasonal standards a considerably greater increase would have been anticipated. Debits are normally greater in October than in September, while the actual increase came far short of this tendency. Sales of life insurance were $8,928,000 compared with $7,757,000 but here again the new business did not come up to seasonal expectations.

The employment trend during the month was discouraging, gains among the reported groups being confined to logging, mining and trade, and of these the only significant increase was that of mining. The index at the first of November after seasonal adjustment was 79.6 compared with 81.3 at the first of the preceding month.

The picture contains some bright spots. For example the silk industry at Sherbrooke advises that sales during October were well ahead of the preceding month and also compare favorably with October of last year. Certain plants are operating on a full time schedule with occasional overtime, while others report that only the hosiery departments are running to capacity. Manufacturers have resumed their exporting abroad, mostly to South Africa and New Zealand resulting from the agreements at the Imperial Conference at Ottawa.

The business index of Quebec was 89.7 compared with 90.2 in September.

Ontario—The trend of business in Ontario was upward during the first quarter of the present year. declines being in evidence month by month since that time.

Developments of the current period are not such as to indicate that a change has yet taken place, terminating the depression. Building permits showed a gain in October. the award of new contracts being limited to $2.722,000 compared with $4,691,000 in September. The output of central electric stations on an average daily basis was 11,243,000 kw.h. compared with 11,249,000, while the normal seasonal increase is estimated at 3 p.c. The total output was 348,530,000 kw.h. deducting the exports and adding the receipts from Quebec we find that the 502,200,000 kw.h. was made available for consumption. a much larger amount than in any previous month of the last year.

The gain in bank debits was less than normal for the season. Sales of life insurance were $12,498,000 compared with $10,433,000, but here again seasonal considerations would more than counterbalance the increase. The employment compilations indicate that while a new low point after seasonal adjustment was reached at the first of November, rubber and textile factories showed gains during the month under review. The indexes for Windsor and Hamilton reveal that manufacturing operations are much below normal, preparations now being made toward the production of new models offering considerable improvement for motor car plants.

The business index for Ontario was 72.7 compared with 75.2 in September.

Prairie Provinces—Business operations of the Prairie Provinces have not reflected in a positive manner the heavy grain crop of the area. Building, after seasonal adjustment, showed moderate gain and sales of life insurance showed an increase, while other factors considered here were reactionary. The average daily output of electric energy was 3.380,000 kw.h. compared with 3,003,000, but a greater gain would normally be expected for the month. After seasonal adjustment, the index of employment was 86.0 compared with 90.4 at the first of October.

A striking feature was the gain in bank debits in Regina and Winnipeg during the first ten months of 1932, compared with the same period of 1931. These were the only clearing centres out of the 32 in Canada to show a gain in this connection. The increases were 23.5 p.c. and 2 p.c. in Regina and Winnipeg. respectively. The cumulative total in Regina was $399,000,000 compared with $323,100,000 while the total for Winnipeg was $2,556,000,000 compared with $2,506,000,000.

The business index for the Prairie Provinces was 86.4 compared with 87.4 in September.

British Columbia—Reflecting gains in bank debits, sales of insurance and regular placements by government employment offices, the business index of British Columbia showed a rebound in October from the low level of the preceding month. New business obtained by the construction industry was at a very low level. The gain in the output of central electric stations was less than normal for the season and employment reached a new low point. Logging and pulp and paper showed gains but most lines recorded decline.

The salmon pack up to October 15 was placed at 1,015,575 cases, the packs of most species showing an increase over last year in practically all areas. For the 16 weeks ended November 18, export clearances of wheat from Vancouver were 27,559,000 bushels compared with 13,990,000 in the same period of 1931. Prince Rupert and Victoria have also shipped 992,000 bushels while no shipments were made from these ports in the first 16 weeks of the last crop year. Lumber exports from the Fraser River during October reached a record for this year, shipments being 21.314,000 feet. Consignments were made to Australia, Japan, China and Eastern Canada ports. The business index of British Columbia was 75.7 in October compared with 75.2 in September, the monthly average for 1926 being regarded as equalling 100.

Business indexes by areas from July to October were as follows:

	July	Aug.	Sept.	Oct.
Canada	85.8	85.3	83.2	81.3
Maritimes ...	103.2	93.2	94.9	96.2
Quebec	92.8	91.4	90.2	89.7
Ontario	79.6	81.9	75.6*	72.7
Prairies	90.7	89.7	87.4	86.4
B. C.	82.8	77.9	75.2	75.7

Decrease For September in Liabilities of Failures

An increase in assignments under the Bankruptcy and Winding Up Acts, as reported to the Dominion Bureau of Statistics, was experienced in September, 1932, as compared with September, 1931, while the liabilities of the assignors showed a very considerable decrease.

Commercial failures numbered 192 as compared with 165 in the same month of the previous year, and 188 in August, 1932. The liabilities of the assignors amounting to $2,979,544 as compared with $5,166,575 in September, 1931, showed a decrease. When compared with $2,825,097 in August, 1932, a slight increase is noted.

Canadian Business Indicators

Compiled by The Financial Post

	Weekly Latest 1932	1931	Cumulative Jan. 1 to date 1932	1931
Transportation—				
Car loadings (Nov. 19)	45,950	56,181	1,956,214	2,300,360
C.P.R. gross earn. (Nov. 21) $	2,464,000 $	3,122,000 $	110,743,000 $	131,742,000
C.N.R. gross earn. (Nov. 21) $	2,709,127 $	3,937,178 $	129,601,772 $	159,861,707
	Monthly			
C.P.R. net earn (Oct.) .... $	3,923,573 $	4,476,662 $	14,454,943 $	17,268,829
C.N.R. net earn. (Oct.) .... $	2,925,472 $	1,841.748 $	9,125,589 $	5,407,518
Iron and Steel—				
Pig iron, tons (Oct.)	6,731	11,562	102,950	391,884
Steel, tons (Oct.)	17,102	40,926	274,945	623,781
Automobiles prod., No. (Sept.)	2,342	2,646	53,550	77,495
" exports, No. (Sept.)	1,717	787	7,942	13,044
Construction—				
Building permits (Oct.) ... $	3,056,137 $	8,442,627 $	35,396,886 $	97,045,622
Contracts (October) ...... $	8,875,600 $	28,789,200 $	118,510,400 $	279,582,500
Newsprint—				
Production, tons (Oct.)	157,506	184,252	1,609,090	1,876,982
Exports, tons (Oct.)	148,934	171,030	1,486,197	1,675,252
Sugar—				
Imports, raw, lbs. (Sept.) ..	57,911,500	71,618,900	577,924,500	611,626,900
Melt. & ship., lbs.*	92,239,204	83,955,260	661,401,963	686,964,423
Manufactured, lbs.*	106,613,372	96,184,968	656,614,187	674,309,039
Flour—				
Production, bbls. (Aug.) ..	1,272,009	1,333,287	8,406,423	9,301,068
Wheat flour exp., bbls (Sept.)	385,113	556,565	3,534,100	4,210,968
Other Industrial Indices—				
Lumbering: Plank & board ,exports, mill ft. (Oct.) ...	55.25	81.26	590.21	812.90
Boots & shoes, pr. (Sept.) ..	1,723,202	1.672,437	13,940,680	13,735,242
Petroleum. imp. crude, gal. (September)	76,913,048	96,534,568	721,878,603	765,072,912
Cotton, imp., raw, lbs. (September)	4,553,000	4,999,000	61,132,000	60,334,000
Rubber, raw imp., lbs. (Sept.)	6,204,026	3,438,177	38,473,961	44,819,185
Coal, imports, tons (Sept.).	1,296,274	1,484,059	7,939,816	9,583,374
Gasoline sales, gals. (July).	51,331,000	66,795,000	264,751,000	297,475,000
Trade—				
Imports (October) .... $	37,094,525 $	45,932,572 $	385,883,998 $	540,897,579
Exports (October) .... $	56,626,095 $	55,537,917 $	405,356,022 $	494,593,577
Wheat exports, bus. (Oct.) ...	40,192,415	18,925,303	173,182,780	145,117,574
Labor—				
Employment Index (Nov.)	84.7	103.0	......	......
Electric Power—Output—				
M. Kilowatt hours (Sept.) ..	1,279,136	1,288,413	11,613,427	12,107,854
Finance—				
Failures, No. (Sept.)	192	165	1,792	1,581
Failures, Liabilities (Sept.) $	2,979,544 $	5,166,575 $	30,012,931 $	32,881,623
Bank debits† (Oct.) ...... $	2,367,000 $	2,586,858 $	21,293,189 $	26,106,513
Bond sales (Oct.) .... $	102,738,105 $	1,048,629 $	374,324,908 $	387,903,879
Insurance sales (Oct.) .... $	29,858,000 $	33,003,000 $	326,437,000 $	403,289,000
Automobile Financing:				
Used cars (Oct.) .... $	862,847 $	1,337,602 $	11,724,994 $	19,065,414
New cars (Oct.) .... $	718,088 $	1,324,452 $	11,667,642 $	18,303,293

*Four weeks' period, Sept. 17 to Oct. 8.

†(000's omitted).

GAINS RECORDED PLANT ACTIVITIES OF COTTON MILLS

Industry Operates at 74 Per Cent of Capacity — Stocks Normal

From Our Own Correspondent

MONTREAL. — Manufacturing operations in the Canadian cotton industry are being conducted at about 74 per cent of capacity with employment over 90 per cent of full complement, according to information from reliable sources. The situation shows an improvement over one month ago when operations at 66 per cent of capacity and employment slightly lower than at present. Orders for immediate delivery in all lines of dress, apparel and household cottons have been heavy in recent weeks, while business has improved in some lines of commercial cottons.

Bookings for immediate delivery with some mills are as much as 10 per cent above this time last year, but forward buying for next spring is very quiet and is on approximately the same basis as this time last year. Inventories of manufactured goods at the mills are about normal since stocks were depleted following the advance in cotton prices in August.

Goods prices have been steadily reduced in line with raw cotton prices and with the new price list issued to the trade last week are thought to be on a stable basis and will be held through the spring season, depending on the course of raw cotton prices. New lists show a reduction of around 7½ per cent in grade goods from the previous list.

Revise Credit Terms

An outstanding feature in the domestic cotton trade during the past month has been the revised credit terms adopted by the mills, whereby long term dating on shipments has been discontinued to conform with the changed merchandising conditions. For many years long term dating has been the rule with cash discounts of 2 per cent spring dating March 25 and fall dating October 25, together with 9 per cent for prepayment. Long term dating has now been abolished, and the revised terms of 2 per cent 10th of month following, 30 and 60 days net, are now in effect. The new terms have been made necessary by the change in selling conditions whereby the mills are now compelled to carry the stocks of finished goods formerly carried by the wholesale jobbing trade and to meet the requirements of the manufacturing trades.

Cotton goods for commercial uses show little change. An early improvement in demand for tire and automobile fabrics is anticipated. Bag cloth business has shown notable improvement. Business with the paper industry for cotton felts is holding steady on the reduced level of the past year. In other lines, industrial business for cotton goods does not reflect any upturn of activity in domestic industries. Yarn business is steady on a reduced level.

Business Briefs

Pound Sterling average value, declared by the Department of National Revenue for special duty purposes, is $3.79 for entries during the period Dec. 1 to Dec. 15 inclusive.

Car loadings for the week ended Nov. 19 were 45,950 cars, an increase of 1,674 cars over the previous week, but the index number dropped from 63.25 to 59.27. Grain loadings were 761 cars lower than in the previous week, but merchandise loadings were up by 634 cars. Total loadings were 10,231 cars lower than in 1931.

Failures under the Bankruptcy Act as disclosed by The Canada Gazette for week ending November 19, 1932, show an increase of 15, figures being 1932, 58 and 1931, 43. Figures for the whole period of the year up to November 19, 1932, are: 1932, 1,960 and 1931, 1,871, an increase of 89 or 4.76 per cent.

New Industries and Plant Extensions in Canada

Compiled Weekly By The Financial Post

Mohawk Mills Ltd. has taken over 15,000 feet of space next the Libby-Owens glass plant in Hamilton, Ont., for operation as a dry spinning plant. This firm will start operations early in 1933, and is expected to employ 50 hands.

Galt Photo Finishing Co. has moved to Kitchener, Ont., and has installed a plant at 36 King St. W. The company engages in professional photo finishing for dealers.

Commodity Prices

Commodity Prices at Wholesale ‡ (N. Y. unless otherwise stated)

	Week ending Nov. 26	Previous week	Last year
Cattle (cwt.) (Toronto)	$4.75	$4.50	$6.35
Copper, lb.	.05375	.05375	.0650
Cotton, lb.	.0590	.0625	.0620
Rubber, lb.	.0333	.0337	.0437
Silk, lb.	1.52½	1.57½	2.25
Sugar, raw, lb. ..	.03	.0308	.0325
Wheat (Man.) buu.	.46⅜	.47⅛	.60
Hides, lb.	.06½	.06½	.08¼
Coffee, lb.	.08½	.08¼	.06½

Weekly Indices *

N. Y. Annalist ...	88.1	88.8	101.2
Fisher's	60.5	60.4	†72.6
N. Y. Journal of Comm.	57.5	58.2	63.6
Crumps. (Brit.) ..	63.1	63.1	†64.9

*N.Y. Annalist base, 1913, others 1926. †Average 1931.

Monthly Indices

	Latest	Prev. Month	Last Year
Canada (D.B.S.) w'sale (Oct.)	65.0	66.9	69 9
Retail (Oct.) ...	80.4	81.0	89.6
U.S. Labor (Sept.)	65.3	65.2	71.2
Gt. Brit. (Sept.)	68.9	67.2	67.0

‡Basis of price quotations is as follows: cattle—steers, good, over 1,050 lbs., top price, Toronto; copper—electrolytic, New York; cotton—middling upland, New York; rubber—smoked sheets, spot closing, New York; silk—Japanese, 13-15, New York; sugar—96 degree centrifugal c/f. New York; wheat—No. 1 Man. North., Ft. W.-Pt. A. basis; hides—heavy native steers; coffee—Rio, No. 7, spot, New York.

Power Output Shows Decline; Index Falls

Final figures for The Financial Post index of the physical volume of business in Canada for October indicate a drop of 2.7 points from the corresponding index of the previous month. The preliminary index as reported last week from 41 factors was 77.8 or a decline of 1.4 points from the September index of 79.2. The final figure available this week from 47 factors indicates that October business volume dropped considerably more than that to 76.5. The average for 1926 equals 100.

New factors available during the week show some revival in mining operations, the indicators used in this connection showing general increases in October. Coal production was 1,229,167 tons compared with 914,467 tons in September, the gain after seasonal adjustment being about 10 per cent. A gain was also shown in coke production in the last month for which statistics were available.

The gain in the output of electric power was less than normal for the season, the average daily output being 44,843,000 kw.h. compared with 42,638,000 kw.h. Production is normally greater in the last quarter than in any similar period of the year. After adjustment for seasonal tendencies the index of trade employment was 113.7 compared with 114.3 at the first of October. The decline in bank debts after seasonal adjustment was 8.5 per cent while industrial employment under like conditions showed a decline of 1.7 per cent.

PIG IRON OUTPUT ROSE IN OCTOBER

Output of pig iron in Canada during October showed the first improvement since March. Production of 6,731 tons for the month was 15 per cent higher than production of 5,709 tons in September. Tonnages for both months were made up entirely of the basic grade for the further use of the producers. No malleable or foundry iron for sale to others was made.

Only one 550 ton furnace, being 13 per cent of total Canadian capacity, was in blast at Oct. 31. This furnace was at Sydney, N.S., one such furnace at Hamilton, Ont., having been blown out on Oct. 18 while the Sydney furnace was only blown in on Oct. 28.

Output of steel ingots and direct steel castings at 17,102 tons in October was 26 per cent under the total of 23,139 tons reported for September. The decline was mostly in steel ingots which dropped to 16,487 tons from 22,278 tons while steel castings were also slightly lower at 615 tons as against 861 tons. For the ten months ending October 31, 1932. output of primary steel aggregated 274.945 tons to compare with a total of 623,781 tons for the first ten months of last year.

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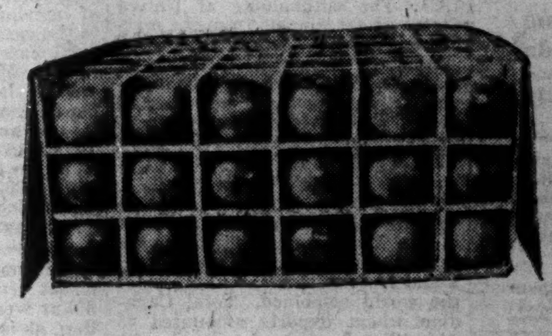
MONTREAL TORONTO WINNIPEG VANCOUVER



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DIVIDEND NOTICES

Noranda Mines, Limited

DIVIDEND NOTICE

Notice is hereby given that an interim dividend of 60c per share, payable in New York funds, has been declared by the Directors of Noranda Mines, Limited, payable December 21st, 1932, to shareholders of record at the close of business December 3rd, 1932.

By order of the Board.

T. N. HAY,
Secretary-Treasurer.

Toronto, November 23, 1932.

RELIANCE GRAIN COMPANY LIMITED

PREFERENCE DIVIDEND No. 20

NOTICE is hereby given that a dividend for the quarter ending November 30th, 1932, at the rate of 6½% per annum, will be paid on December 15th, 1932, to preference shareholders of record at the close of business on November 30th, 1932.

By order of the Board.

A. W. GIBB,
Secretary.

Winnipeg, November 17th, 1932.

Standard Steel Construction Company Limited

Notice is hereby given that a quarterly dividend of 75 cents per share has been declared on the Class "A" Cumulative Redeemable Preference Shares of Standard Steel Construction Company, Limited, payable on the 1st day of January, 1933, to shareholders of record on the 15th day of December, 1932.

By Order of the Board.

J. J. BREEN,
Secretary.

The Dominion Bank

Notice is hereby given that a Dividend of two and one-half per cent upon the paid-up Capital Stock of this Institution has been declared for the quarter ending 31st December, 1932, making a total distribution of eleven per cent for the current year — the Dividend will be payable at the Head Office of the Bank and its Branches on and after Tuesday, the 3rd day of January, 1933, to shareholders of record of the 20th December, 1932.

By Order of the Board.

C. A. Bogert,
General Manager.

Toronto, 17th November, 1932.

AGNEW-SURPASS SHOE STORES

NOTICE

Preference Dividend No. 19

A Dividend of 1¾% for the three months ending Dec. 31st, 1932, has been declared on all the issued Preference shares of the Company, payable January 3rd, 1933, to shareholders of record as of the close of business, December 15th, 1932.

By Order of the Board.

K. R. GILLELAN,
Secretary.

Oct. 19th, 1932.

The Bell Telephone Company of Canada

NOTICE OF DIVIDEND

A dividend of one and three-quarters per cent (1.75%) has been declared payable on the 16th day of January, 1933, to shareholders of record at the close of business on the 23rd of December, 1932.

W. H. BLACK,
Secretary-Treasurer.

Montreal, 23rd November, 1932.

The Ontario Loan and Debenture Company

182nd DIVIDEND

Notice is hereby given that a QUARTERLY DIVIDEND of 3 per cent for the current Quarter ending 31st December, 1932 (being at the rate of 12 per cent per annum), has been declared on the paid-up Capital Stock of this Company and will be payable at the Company's Office, London, Ontario, on or after the 3rd January, 1933, to Shareholders of record of the 15th December, 1932.

By Order of the Board,

T. H. MAIN, Manager.

London, Ontario,
29th November, 1932.

The Sherwin-Williams Company of Canada, Limited

Notice is hereby given that the eighty-sixth quarterly dividend of one and three-quarters per cent (1¾%), being at the rate of seven per cent (7%) per annum for the quarter ending November 30th, 1932, on the Preferred Stock of the Company has been declared payable to shareholders of record the 15th day of December, 1932, and cheques will be mailed December 31st, 1932.

Books not closed.

By order of the Board.

P. W. HOLLINGWORTH,
Secretary-Treasurer.

Montreal, Que.,
November 24th, 1932.

TEXTILE DOMINION CO. LTD. Dominion Textile Co. Limited

Notice of Common Stock Dividend

A DIVIDEND of Seventy-Five Cents per share from operations and Fifty Cents per share from interest on investments, making One Dollar and Twenty-Five Cents per share, has been declared on the Common Stock of DOMINION TEXTILE COMPANY Limited for the quarter ending December 31st, 1932, payable January 3rd, 1933, to shareholders of record December 15th, 1932.

By order of the Board,

JAS. A. FISH,
Acting Secretary-Treasurer.

Montreal, November 21st, 1932.

Dominion Glass Company Limited

NOTICE OF DIVIDENDS

Notice is hereby given that a dividend of one and three-quarters per cent (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 31st day of December, 1932.

Notice is also hereby given that a dividend of one and one-quarter per cent (1¼%) has been declared on the COMMON STOCK of the Company for the quarter ending the 31st day of December, 1932.

The above Dividends are payable on Monday, the 2nd day of January, 1933, to Shareholders of record at the close of business Thursday, the 15th day of December, 1932.

By Order of the Board.

MERVYN OFFER,
Secretary.

Montreal, 22nd November, 1932.

Grain and Milling in Canada

BRITISH MARKET IS VITAL FACTOR IN WHEAT SALES

High Tariffs and Good Crops Cut Imports Into Europe

EXCHANGE PROBLEM

Canada's Exports of Wheat Since Aug. 1 Exceed Exports of Rest of World

Light demand for wheat in Europe because of good harvests in France, Germany and Italy and quota and tariff restrictions of these countries have been reflected in the general easiness of the supply position in world wheat in the last month. The limitation of the amounts of wheat that can be placed in these markets for some time place greater relative importance on the British market, according to the Dominion Bureau of Statistics, Ottawa.

In spite of the many restrictions now in effect and the high degree of protection afforded domestic markets, prices have materially declined during the past five months in France and Germany. The decline of prices in France and that country's large wheat crop have brought about government intervention. Provision is being made to store some 22 million bushels to relieve the market of some of the existing surplus and strengthen prices. France will import some wheat to improve the grade for milling.

British Demand Steady

At the moment it appears likely that wheat requirements of the United Kingdom will be steadier during December and January than last year. There has been no undue pressure of Russian and Danubian wheat on the British market this season such as there was in 1931, and surplus port stocks have not been accumulated. Last year supplies of wheat held in Britain were large enough to cover six weeks' needs, and this year are only half that amount. It is expected that, for Canada, the virtual withdrawal of Russia, Eastern Europe and the United States as exporters will partially offset the shrinkage in world wheat trade that has occurred in November, December and January in past years.

Price levels for United States wheat in Europe have practically driven that country off an export basis. In August and September her total exports of wheat were only 9,765,689 bus. compared with 23,377,500 in the same period of 1931. The withholding of United States wheat surplus from the market has reacted favorably for Canada as it has relieved European markets of pressure of sales. September exports from the United States were at the lowest rate in twenty years, with a total of only 4,225,591 bus.

Canada's Export

Canada has supplied a large share in the world exports of wheat in the last three months, having shipped more wheat between Aug. 1 and Nov. 21 than all the rest of the world combined. Total Canadian wheat exports amounted to 92 million bushels compared with 81 million from the rest of the world.

This is a radical change from conditions in 1931 when Canada had only exported 22 per cent of the total during the same period, with shipments of 59 million bushels of a total of 262 million. The present condition will not prevail indefinitely, of course, and will change when southern hemisphere countries start to make shipments of the current crop.

Demand Estimated

According to estimates, world wheat buyers will be able to absorb grain in coming months at a greater rate than they have done so far this season. Up to Nov. 21, total exports of 173 million bushels amounted to only 10.8 million bushels a week as against estimated world requirements for the whole crop year of 704 million bushels or 13.5 million a week. This would leave a balance yet to be shipped of 531 million bushels at a rate of 14.7 million bushels a week. This estimate is Broomhalls', and is favorable to the marketing of the present large stocks of wheat held in Canada.

Foreign exchange rates are playing an important part in Canada's wheat trade. When the Canadian dollar weakens in relation to sterling, as is the case at present, foreign prices for Canadian wheat descend to levels more favorable to exports. However the greatly depreciated currencies of Australia and Argentina will give them an advantage over Canada when they start to compete for the market in January.

Situation in Canada

The Canadian wheat situation has recently been featured by the issue of the provisional wheat estimate reducing the preliminary estimate for all Canada from 467 to 431 million bushels. Of the total estimated crop, some 350 million bushels are available for commercial channels, and, of this, 236 million have been marketed, leaving some 114 million bushels still available for sale on farms in western Canada. In other words about 65 per cent of the marketable crop has been sold and delivered to country elevators in fifteen weeks.

This rapid movement of western wheat into commercial channels has affected the wheat situation two ways. In the first place, the movement has placed considerable strain on the Winnipeg market especially when country marketings amounted to as high as five or six million bushels a day. The second effect has been to rapidly increase the volume of the Canadian visible supply in the early weeks of the crop year. At the present time the Canadian visible supply amounts to 242 million bushels, the largest figure at this date during any of the past five years.

The following table shows the statistical position of Canadian wheat at Sept. 30, 1932:

STATISTICAL POSITION OF CANADIAN WHEAT
As at Sept. 30, 1932

	1931-32 (Bushels)	1932-33 (Bushels)
Carry over, July 31	134,078,963	130,948,991
New crop	*304,144,000	†431,200,000
Total	438,222,963	562,148,901
Domestic needs	119,000,000	§130,000,000
Available	319,222,963	432,148,901
Exports, Aug. to Oct.	52,537,457	90,955,785
Bal. for export and carry over	266,685,506	341,193,116

* Unrevised—probably too low.
† Provisional estimate.
§ Preliminary estimate.

Sees Canada Gaining Much Larger Portion of World Wheat Trade

United Grain Growers Believe Canada Can Retain Leadership in Wheat Trade Through Quality of Its Product

U. S. TO DECLINE; RUSSIAN EXPORT LESS

United Grain Growers Limited have published the company's third annual review of the world wheat situation, which was presented to delegates at the recent annual meeting of the company held in Saskatoon. This review gives a comprehensive summary of statistics on world wheat production and trade and includes comments on various developments affecting wheat.

World wheat production for the current year outside of Russia and China, both of which have smaller crops, is likely to be very close to the same area last year of 3,707,000,000 bushels. Last year's total, it is pointed out, was absorbed in the year's consumption. Under conditions which would permit a reasonably free flow of wheat to countries which could use it to advantage, and the free consumption of wheat at reasonably low prices in importing countries, this production would probably fall short of the world's requirements for a year, making necessary a call on the accumulated surpluses of former years.

Effect of Depression

There are still, as there have been for several years, special circumstances connected with the supply of wheat which would put high prices at this time out of the question and make fairly low prices inevitable and in some respects these are more important now than a year ago. But the general depression must be regarded as still more important. It lowers prices, it reduces the consumption of food, it cuts down the demand for meat, and consequently prevents the diversion of wheat land into production of feed and forage crops, and it results both in economic and in governmental regulation which make international trade much more difficult.

While the statistical world wheat carry-over, calculated by the United States Department of Agriculture as of July first last, shows an increase for the year of 10 million bushels to a total of 669 million bushels, it is probable that the total stocks of wheat in the world was somewhat less due to the reduction of interior European stocks almost to the vanishing point. Out of that total carry-over just over 80 per cent, or 537 million bushels was on July 1 last concentrated on the North American continent.

Larger Than Comfortable

This carry-over is estimated to be larger than comfortable by from 300 to 350 million bushels, an excess which is less than 10 per cent of the annual production and consumption of the great producing and consuming countries of the world, or the approximate equivalent of a month's consumption in countries outside of Russia and China. What is termed the maldistribution of the carry-over is discussed in the following terms in the U. G. G. review:

"During recent years when the gold standard has been so much discussed we have grown familiar with the statement that it is not so much the world's total supply of gold that is at fault as it is the distribution of that supply. To some extent a similar idea may be applied in connection with the wheat carryover. The concentration of that carryover is faulty, not only in that it is mainly in North America, but also in that it is mainly in commercial positions in elevators in these countries instead of much of it being still on farms of original producers throughout the world. It is more impressive there and also imposes a greater burden on the world wheat market. In western Canada it is a matter of common knowledge that at the close of the last crop year wheat bins of western farmers were swept bare. To some extent the expiry of last year's five cent bonus on wheat was responsible, but crop failure in some districts and financial pressure in all were also effective. Financial pressure has reduced the holdings of farmers in Australia and the Argentine, and to this in Australia was added uncertainty as to continuance of the government bonus paid on the 1931 crop at the rate of 4½ pence per bushel.

"In Europe another set of circumstances operated to denude the farms of France, Italy and Germany of their normal carryover High prices sustained by high import duties and uncertainty as to how long such prices might continue made it the part of wisdom for farmers to get rid of every possible bushel, while both duties and milling quotas compelled millers to seek out such domestic supplies. Russian farmers were stripped of their normal wheat carryovers by pressure of Russian government collections and by exports in the early part of the year of wheat which the country could ill afford to spare. In the United States the low point in wheat supplies on farms had been reached a year earlier due to the policy of the Farm Board in purchasing wheat at higher than world prices and the expected discontinuance of that policy.

Where Recovery Must Come

"It follows that correction of the carryover situation is to be hoped for, not only in world consumption that will eat into surplus, but also by redistribution that will take some of the surplus both out of North America, and also out of elevators. It is to be hoped that a considerable portion of it may be found in future years, not in commercial positions, but forming part of producers' normal and proper reserves on hundreds of thousands of farms throughout the world. It is impossible to say to any individual western farmer that it would pay him to establish such a reserve, but there is no doubt that from a market standpoint, at least until there is a great improvement in conditions, it would be better if it were possible for farmers to hold on to some reserves until obsolutely assured of each succeeding harvest. The Canadian carryover, which, apparently, must be of large proportions for some time yet, would then be somewhat less formidable. Some development of that nature is to be expected in western Canada this year, and it will also be surprising if farm reserves in other countries are not built up to a certain extent."

Canada's Share of Trade

Mr. Broomhall's estimate of import requirements for importing countries for the current year was 704 million bushels as against total world shipments of the previous year amounting to 769 million bushels. Of that he estimated that Canada will supply 256 million bushels, the United States 128 million bushels, Argentine 136 million bushels, Australia 120 million bushels, Russia 40 million bushels, the Balkans and Hungary 8 million bushels, countries of North Africa and other countries 16 million bushels. So far as any increase from this total is concerned, the only substantial hope lies in non-European countries taking more wheat than can now be estimated as the total of their requirements, put at 200 million bushels, and the greatest possibility lies in the uncertainties of the Chinese situation. Russia may fail to reach the total shown and may have later to import to offset too large exports in the early part of the year. But of the shipments from the North American continent it now seems probable that Canada will supply a larger and the United States a smaller percentage than indicated above. Indeed Canada will have to export more than 325 million bushels to prevent an increase in the carryover at the end of the season, while the United States needs very small exports to prevent her carry-over from increasing. It is natural to expect, therefore, that Canada will be the more insistent seller.

Competition From Russia

With respect to Russia it is stated that a few years ago, when plans for the re-making of Russian agri-

(Continued on page 19)

Winnipeg Grain Prices

Week to November 29

Crop year from Aug. 1, 1932 High	Low		Open Nov. 23	High for week	Low for week	Close Nov 29
		Wheat				
.53⅞	.45¼	November	.46¾	.47	.45⅞	.46
.63½	.44¼	December	.46¼	.46¼	.44¼	.44½
.67⅝	.48	May	.50⅛	.50⅛	.48	.48⅜
.54⅞	.49½	July	.51⅛	.51⅛	.49½	.49⅝
		Oats				
.26½	.22¼	November	.24	.24⅛	.22⅜	.23⅛
.28⅞	.20¾	December	.22⅞	.23	.21½	.22
.29½	.22¼	May	.24⅞	.24⅞	.23½	.23⅝
.26	.23⅜	July	.25¼	.25¼	.23⅜	.23⅞
		Barley				
32¼	.27⅞	November	..	.31	.28⅜	.28⅜
.35½	.25	December	.31½	.31½	.28½	.28½
.38½	.28⅜	May	.33	.33	.30¼	.30⅜
.35¾	.30⅝	July	..	.32¾	.30⅝	.30¾
		Flax				
.78	.66	November	..	.69½	.67½	.67½
87	.66¾	December	.70¼	.70¼	.67¼	.67½
.94	.71¾	May	.75	.75	.72	.72⅛
.79¾	.73⅛	July	.75	.75⅛	.73⅛	.73¼
		Rye				
.31½	.26⅛	November	..	.29⅜	.28½	.28½
.39⅝	.26½	December	.29⅞	.29⅞	.28¾	.28¾
.42⅞	.30¾	May	.33⅞	.33⅛	.31⅛	.32⅛
.37	.31⅝	July	..	.34⅛	.33	.35⅞

NOTICES

Accountant bookkeeper, 24 years of age, with five years experience in office of manufacturing concern, is interested in securing a position with an organization which has an opening for a young man who has held executive position and has had office management and drafting experience. Willing and competent worker. Anyone interested in a personal interview, kindly communicate to Box 102, The Financial Post, Toronto.

The Royal Bank of Canada

ANNUAL MEETING

THE Annual General Meeting of the Shareholders of the Bank will be held at the Head Office, 360 St. James Street West, in the City of Montreal, on Thursday, the 12th day of January, 1933, at 11 o'clock a.m.

M. W. WILSON,
General Manager.

Montreal, December 1, 1932.

The Ontario Municipal Board

NOTICE IS HEREBY GIVEN that the Corporation of the City of Windsor has become subject to the provisions of Part VI of "The Ontario Municipal Board Act, 1932," by an Order of The Ontario Municipal Board bearing date the 23rd day of November, 1932, and from and after the first publication of this notice in The Ontario Gazette, all actions or proceedings against the said Corporation are stayed and thereafter no action or other proceeding against the said Corporation shall be commenced or continued, nor shall a levy be made under a Writ of Execution against it without leave of The Ontario Municipal Board.

H. C. Small,
Secretary of The Ontario Municipal Board.

DATED this 23rd day
of November, A.D. 1932.

POSSIBILITY SEEN OF SHORT CROPS OF WINTER WHEAT

But Prices Stay Low as Canada Rushes Grain to Mart

From Our Own Correspondent

WINNIPEG.—With July wheat going below fifty cents a bushel, all quotations on the wheat board are now less than that figure. With recent erratic course of exchange it has been difficult to untangle the various influences in the market, but the steadily declining value of sterling appears to have the greatest effect. But an important influence also is the decline in wheat prices in the United States. Although they are too high yet to make United States wheat competitive with Canadian in British or European markets, any weakness at Chicago indicates a potential threat at the preponderant share of the North American wheat exports now enjoyed by Canada. The course of our markets suggests that this country is so determined a seller that the United States will not be allowed to resume competitive selling in world markets for some time. There still appears to be evidence of some stabilizing purchases of wheat in the futures markets, but prices are now away below the level at which some operations began. It would appear that the price objective of these operations is lowered whenever there is enough of a decline at Chicago to be a menace to the volume of our business.

British Buying Lags

The hoped for increase in buying in Great Britain is slow to materialize. British imports a year ago were forty million bushels higher for the season than this year, as great stores of Russian wheat were laid by. Little Russian wheat has been bought this year, and British buying is mostly Canadian, but advance stocks have not been accumulated.

Short Crop in U. S. A.

Private reports from the United States indicate a widespread belief that conditions in the winter wheat belt have been so unfavorable as to render likely another short crop, and every report from Russia and the Danubian states emphasizes unsatisfactory conditions in winter wheat areas tributary to the Black Seas, but Canada has lots of wheat to sell at the moment, and the Australian and Argentine crops will shortly be on the world market in quantity, and under present conditions the immediate situation is more important than any possibilities at a later date.

Storage Charges Cut

The Board of Grain Commissioners has published its ruling reducing the storage charges on grain from one thirtieth of a cent a day to one forty-fifth applying from the twenty-eighth of this month.

Test Shipments

Grain exporters are still in doubt as to the dangers involved of Canadian wheat being subject to the British wheat duty when shipped through the United States. New York exporters have combined to send a small test shipment from Fort William through New York to find out exactly what occurs when it passes through the British customs. Assuming that no difficulty is experienced, it is believed a number of other test shipments will have to be made, in order to be quite sure as to the status of grain which has been in store in Buffalo, or may later be stored there.

MANITOBA PLANS AGAIN TO MERGE POOL ELEVATORS

Government Dissatisfied With Results of Unit System

From Our Own Correspondent

WINNIPEG.—Reorganization of Manitoba Pool Elevators Ltd. as a line elevator company is expected to take place following upon the annual meeting of that organization at the end of this month. When the Manitoba pool, now in bankruptcy, lost control of the country elevators it had built in this province, the provincial government allowed to carry on a plan under which these various elevators were to be operated for the account of various local associations which were expected to acquire them at the end of twenty years when the government claim against them would be paid off as the result of earnings of each individual elevator. In effect the government agreed to a plan under which its claim against the elevator system, intead of being treated as a whole, was split into more than 150 fractions, each fraction resting against a particular elevator. Some of the elevators of the system have done a good business, and have a prospect of paying for themselves, but actual operations last year showed a considerable number where losses had increased indebtedness of local elevator associations.

Suggest One Company

Reports of annual meetings of local elevator associations throughout Manitoba indicate that members of these associations have been advised that it is impracticable to continue operating as a system of units, and that the local associations are to be asked to combine in one company in which the operating results of the individual elevators will be combined.

Details of the plan proposed have not yet been made public, but two of the obvious problems are the extent to which members of some of the more prosperous elevator associations will accept abandonment of the scheme under which they had expected to acquire ownership, and the attitude of the same associations toward the debt owing to the government on the unprofitable elevators.

Need Legislative Approval

Whatever plan the meeting agrees upon, will it is understood, have to be submitted to the Legislature of Manitoba at the forthcoming session, because of the interest of the government in the operation of these elevators, out of which it hopes to recover some of the $2,400,000 for which it had to settle with the banks on account of its guarantees of the indebtedness of the now defunct Manitoba Wheat Pool.

Alberta Pool Asks National Wheat Board

From Our Own Correspondent

CALGARY.—Delegates to the annual meeting of the Alberta Wheat Pool, which was completed this week, considered various possible plans under which this organization might carry on for the future, but did not attempt to reach a final decision. Instead, the provincial legislature is to be asked to pass a special bill under which it may carry on for another year. The delivery contracts of members expire with the 1931, and the real question is whether the elevator system is to be controlled for the future by those who put money into it, and are presumed still to have an equity, because they did not receive over-payments on the 1929 crop, or whether control is to pass to those who may make use of the elevators in the future.

Close observers doubt the possibility of getting another extensive sign up to form the basis of a continuing organization, and the year's delay is thought to make more likely the emergence of a joint stock company, with shares issued to represent the remaining equity of members in the elevator system.

The delegates went on record in support of the directors' recommendation for a national wheat board to take over the marketing of the current crop, and it is believed that joint representations to this effect will again be made to the government at Ottawa.

Declaration in favor of renewal of the wheat bonus was made.

Imports of Raw Sugar Were Higher in October

Total imports of raw sugar into Canada in the four weeks ended Nov. 5 amounted to 123,367,413 pounds compared with 110,353,778 pounds in the corresponding period of 1931. Stocks of raw sugar on hand at the end of the period amounted to 106,860,701 pounds as against 91,033,282 pounds at the same time last year, according to the Dominion Bureau of Statistics.

Total manufactures of refined sugar in Canada for the four weeks ended Nov. 5 were 115,873,720 pounds compared with 121,790,544 pounds in the same period of 1931. Total exports of Canadian refined sugar amounted to 903,200 pounds in the month of October, 1932, valued at $41,351 compared with exports of 1,674,600 pounds valued at $81,894 in the same month of 1931.

Make Christmas Shopping Enjoyable by visiting RYRIE-BIRKS

Elusive Christmas Gift problems lose all their difficulties when you visit Ryrie-Birks.

This famous gift store has been specializing in gifts for over half a century. Trained buyers search the earth's four corners for suitable gifts, which are gathered together each Yuletide Season for their Christmas display.

You need search no longer when you visit Ryrie-Birks. In the Court of Gifts—on the Mezzanine Floor—in the new Lamp Room—in fact, wherever you turn, you will find new and lovely, and wholly desirable gifts—all priced at today's low competitive prices.

For those who cannot visit our store, or who prefer to look over a book of suggestions, we have prepared the Ryrie-Birks Year Book—an 80 page catalogue of gift suggestions. If you have not already received a copy, one will be sent you merely for the asking.

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EVERY GRAIN ROYAL ACADIA SUGAR PURE CANE

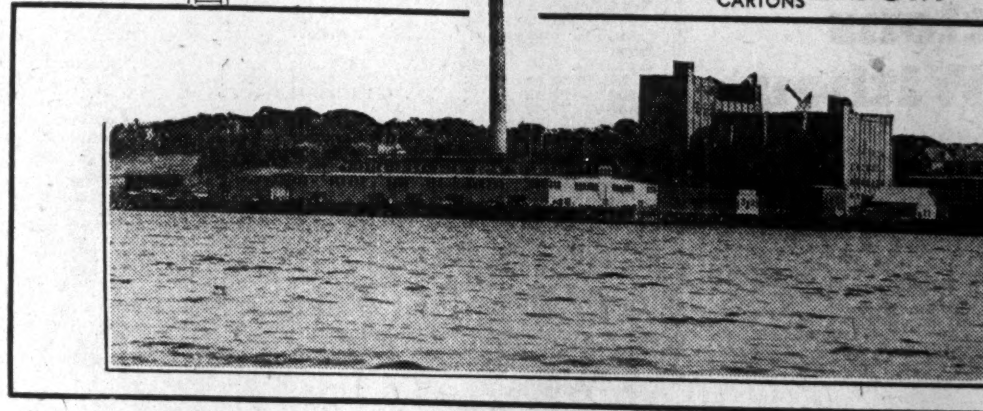
AN important contribution to the industrial life of Nova Scotia is the Sugar Industry.

THIS refinery is ideally located on the eastern slope of Halifax harbour affording exceptional transportation facilities—with private dock accommodating ocean tonnage—also Canadian National trackage—plant property 170 acres.

IN continuous operation since 1881, is a large employer of labour.

ALL GRADES REFINED ..... SUGAR .....

DOMESTIC BAGS BARRELS CARTONS EXPORT



ACADIA SUGAR REFINING COMPANY, LIMITED
HALIFAX NOVA SCOTIA

Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Photo Engravers Buys Plant out of Earnings

Has Ten Year Contract With Robert Simpson Co.; New Equipment Widens Scope of Service; Management is Conservative

A relatively small company in comparison with the leaders in other lines of industry, Photo Engravers & Electrotypers Ltd. is yet one of the largest companies of its kind in the Dominion. Its business hooks up with advertising which is one of the most important elements of successful merchandising and its industry is as permanent as advertising itself because in good advertising the pictorial representation of the subject is of vital concern.

Photo Engravers & Electrotypers, Ltd., now manufacturing photo engravings, electrotypes, stereotypes and rotogravure for advertisers and publishers, has built up since 1906 a substantial business which so far has kept pace and should still do so with the volume of advertising done in Canada. W. T. Northgrave, president and general manager of the present company, founded the original business.

In addition to the mechanical work of manufacturing photo engravings, the company maintains a large commercial art department where creative work is done. Early in 1931 the company occupied a modern printing plant of greatly expanded facilities made necessary by a 10-year contract made with the Robert Simpson Co. which provided that the mail order catalogue of the latter company would be printed by Photo Engravers on a cost plus basis for the term of the contract. The work done for the Robert Simpson Co. comprises an important part of the company's business but not the greatest part.

Has Low Capitalization

Started in 1906 as a small business with eight employees, the company now has 70,000 sq. ft. of floor space in Simpson's mail order building in Toronto, does business throughout Ontario and some in Quebec and employs well over 200 people. The present company was incorporated in 1927 with a Dominion charter and in November, 1927, there was a public offering made of 20,000 shares of no par value stock at $29 per share. The present authorized capital of the company is 50,000 shares of no par value of which 30,000 shares are outstanding. This stock is listed on the Toronto Stock Exchange and on the New York Produce Exchange but the volume of trading is never very heavy.

The fiscal year of the company ends on the last day of February and in the year ended February 29, 1932, the first year in which the Simpson contract was operative, total sales were $1,042,164, the largest in the company's history. Sales in 1931 were $794,194; in 1930, $905,982; and in 1929, $830,592. Net earnings were also higher at $137,514 in 1932 as compared with $125,798 in 1931, $134,165 in 1930 and $133,954 in 1929. Due to increased provision for depreciation arising out of increased investment in fixed assets net profits available for dividends were down to $61,060 from $88,660 in 1931 and $95,696 in 1930.

The four year picture of sales, net profit and annual surplus after paying dividends at the rate of $2 per share annually is as follows:

Year Ended Feb. 28	Total Sales $	*Net Earnings $	Surplus $
1929	830,592	94,691	34,691
1930	905,982	95,696	35,396
1931	794,194	88,660	28,660
1932	1,042,164	61,061	1,060

*Available for dividends after provision for depreciation and income tax reserves.

Dividends were paid regularly at the rate of $2 per share per year from March 1, 1928, to June 1, 1932, inclusive. The passing of the dividend due September 1, 1932, was caused by the fact that the directors wished to conserve the company's cash position in view of the fact that notes in payment of equipment purchased in 1931 were coming due each month up to March, 1933. It is anticipated that such notes to the total of $225,000 will have been paid off by March 31, 1933, and there is a possibility that dividend payments will be resumed during 1933, probably at the annual rate of $1 per share.

Increased Fixed Assets

In the year ended February 29, 1932, fixed assets were increased by $577,000 to a total of $757,198. This increase in the capital investment in buildings and equipment was made without issuing bonds or preferred stock to finance the expansion. The company used $125,000 which it had in cash, secured a bank loan of $250,000 and the remainder amounting to some $225,000 was arranged for in notes maturing monthly. When these notes are all paid off next March out of the company's earnings the bank loan will be retired gradually over a period of several years.

The fact that the new debt was not funded and all liabilities on account of the plant extension were shown in the balance sheet as current liabilities gave the company a poor working capital position at February 29, 1932, but as notes and bank loans are paid off substantial improvement will be shown. In the past the ratio of current assets to current liabilities has been maintained at four to one or better. Inventories are usually low and accounts receivable are reasonably liquid. The working capital position at the end of the last fiscal year showed current assets at $236,199 and current liabilities at $539,088, an excess of $302,889 in current liabilities over current assets. Bank loans and notes payable on new equipment accounted for $403,000 of current liabilities.

Would Sell Old Plant

Included in fixed assets is the former plant of the company which cost $130,000. This plant is not used for operations of the company and attempts have been made to sell it for cash. Sale of this property would enable the company to reduce its bank loan substantially and while business conditions at the present time do not favor a cash sale there is always the possibility that a favorable arrangement can be reached.

Earnings of the company, in the current year, are understood to to compare favorably with earnings in 1931-1932 when $2.04 was earned on each share of stock. The new plant is being operated more economically and labor costs are lower although wages have not been reduced. Improvement in economic conditions throughout the country would show an early influence on the company's earnings as advertisers increase their appropriations.

As the company's bank loans are reduced from earnings the equity of the common shares will be increased to around $38, a share in place of the $23 a share shown in the last annual statement. There is not an active market for the stock due to the comparatively small amount outstanding but the present market is around 10½ which compares with a high of 19½ and a low of eight in the current year. In 1929 the stock reached the high point of 45.

Wellington Building

I am informed that Wellington Building Corp. is being administered for bondholders by London & Western Trusts Co., that the building is largely occupied; has now no encumbrances other than $425,000 bond issue with 1½ years past due interest on same, while net earnings, after paying all operating charges, are now twice annual interest requirements.

Is this approximately correct? Is the real estate worth $425,000? Can the building be sold by the Trust Company for the bondholders? Are they endeavoring to sell it? Can it continue to be administered for the bondholders with interest and principal paid as funds permit? Is there sufficient equity and earnings to give reasonable hope principal and interest will eventually be taken care of satisfactorily?

The London & Western Trust Co. has been operating the Wellington Building in Toronto for the past two years, but has never tried to sell the property, since it was only recently that a court order was secured permitting sale. When the building was taken over by the trust company, it was appraised at $475,000 and in the past two years some $25,000 or $30,000 worth of improvements have been put into the building. It is doubtful, however, if the building could be sold at the present time for more than $400,000, at an outside figure. Claims against the company, including bonds and bond interest in arrears, total over $500,000.

At the present time, we are informed that the building is approximately 80 per cent rented and that monthly income from rentals is running from $6,300 to $6,500 monthly. Expenses are approximately $2,600 monthly including taxes. On this basis, bond interest, which would amount to some $28,000 annually, is being earned by a considerable margin. We understand that the loss of one or two large tenants is a probability in the near future and this would reduce earnings from the building but probably not enough to reduce net income below bond interest charges. The trustee has built up a surplus of $15,000 or more in the past two years and in addition to money that has been expended in alterations and repairs. Resumption of bond interest payment still remains indefinite.

It would appear that, under able management and given reasonably satisfactory business conditions in Toronto, the building could earn its fixed charges. While the equity may be impaired at the present time due to low real estate values there remains the possibility of improvement in real estate values at a later date.

Calgary Power

I bought some preferred shares of Calgary Power Co. some years ago. How is this company getting on this year? Have earnings been seriously affected and do you consider the company's prospects favorable?

Our understanding is that earnings of Calgary Power Co. have not been unsatisfactory this year. The company has felt the benefits of expansion carried out in past years. It has extended its rural distribution system which has tended to offset the drop in industrial load. The company continues to pay dividends on its common stock and in 1931 earnings were equal to $10 a share on the preferred stock. Calgary Power is the dominant utility in Alberta and its progress has and will be closely identified with industrial and agricultural progress in that province.

B. C. Power

Among my holdings are some shares of British Columbia Power Corp. "A" stock. I understand earnings have tended to decline this year; is this so? I am anxious to know whether the dividend is safe.

Earnings of British Columbia Power Corp. during the current fiscal year to date have fallen below dividend requirements on the class "A" stock. Monthly revenue is running behind figures for last year and though operating expenses have been reduced, the reduction has not offset the drop in gross earnings. Latest figures available show that in the four months ended October 31, net earnings were 16 per cent below those of the same period in 1931.

Whether the dividend will be reduced or omitted is a question which only the management can answer; no announcement has been made in this regard as yet. Several companies have seen fit to conserve their cash position.

The company is the leading utility in British Columbia and has extended its properties in recent years which should enable it to take advantage of an improvement in conditions in the territory served.

Dominion Textile

Has Dominion Textile Co. been able to maintain its position this year? I have heard that earnings are lower and have wondered whether dividends are likely to be reduced. Can the long-term outlook be regarded as satisfactory?

Restricted industrial activity has found reflection in sales of Dominion Textile products to industrial consumers, though it is understood that clothing output has been maintained. Earnings to date are below those of the same period last year but the company does not close its current fiscal period until the end of March, 1933. Dominion Textile has an excellent record from the shareholders' viewpoint and dividends have been maintained at the regular rate up to the present time. In the last fiscal year profits fell slightly short of dividend requirements and it remains to be seen whether the management will see fit to make further encroachments into surplus if earnings do not improve. The company, has built up a financial position which should enable it to withstand existing conditions without serious impairment of its position.

Imperial Tobacco

I have considered the purchase of shares of Imperial Tobacco Co. of Canada on the recommendation of a friend What do you think of this stock? Has the company done well in the past?

Imperial Tobacco Co. of Canada is the largest operator in the industry and has a long record of satisfactory progress. No figures on earnings have been made public during the current year but it is understood that profits have declined somewhat owing to the sharp drop in consumption. Over a period of years, however, there has been a steady increase in tobacco consumption in Canada and owing to the dominant position which the company holds in the industry, long-term outlook appears to be encouraging.

Gypsum Lime

In view of conditions in the building industry, I am anxious to know whether earnings of Gypsum, Lime, Alabastine Co. have been affected. Do you think bond interest is in jeopardy and what is the outlook for this company?

Though sales of Gypsum, Lime, Alabastine, Canada, have declined about 40 per cent from last year it has been officially stated that the company will meet its bond interest payable next March. Figures on earnings during the current year have not been published; the drop in sales has found reflection in profits to date. It is understood that provision for depreciation this year has been considered unnecessary in view of the substantial write-offs made in previous periods. In 1931 interest was earned 2.23 times before depreciation.

Prospects for the company depend largely upon an improvement in the construction industry. As you know, there has been a sharp contraction in building, a factor which finds reflection in the situation surrounding Gypsum, Lime. The company is the largest factor in the industry it serves in Canada but until there is more activity in construction, outlook for improved earnings is not impressive.

Canadian Marconi

Can you tell me what the shares of Marconi Wireless Telegraph Co. of Canada are worth? I bought some of this stock many years ago and would like to know whether it has any value.

Current quotations on the shares of Canadian Marconi Co. are in the neighborhood of $1 a share. As you probably know, shares of the Marconi Wireless Telegraph Co. of Canada, par value $2.50, were exchanged, share for share, for those of Canadian Marconi Co. when the present name was adopted in 1925. The par value of Canadian Marconi stock, however, is $1.

If you write to the secretary of the company at 211 St. Sacrament St., Montreal, giving him the numbers of your certificates, he will forward details of the exchange to you and tell you how you may obtain the new stock.

Canadian Terminals

Will you be kind enough to give me information regarding the Canadian Terminal system? One of our customers is interested in that company to the extent of $5,500. Is there any chance for him to recover his money?

The Canadian Terminal System Ltd. is a holding company which holds controlling stock interest in a number of subsidiaries including Montreal Rail & Water Terminals, Canadian Rail & Harbor Terminals, Collingwood Terminals, Limited, Canada Housing Corp., Ontario Bakeries, Municipal Bankers' Corp., Montreal Debenture Corp., etc. Practically all of these subsidiary companies have had to be reorganized during the past two years and it would appear that some time must elapse before the equity of Canadian Terminal Systems in its subsidiary companies can show any substantial returns.

Canadian Terminal Systems Ltd. went in default on its own bonds and debentures early in 1931 and later in the year bondholders agreed to a reorganization which included the formation of a new company with the same name. This new company issued 6 per cent 20-year first mortgage income gold bonds due 1951 and also five year 6 per cent debentures to the amount of the unpaid interest on the old bonds. The voting trust was appointed to remain in force as long as any of the bonds or debentures of the new company remain outstanding and common shareholders of the old company received voting trust certificates of the new company on which no dividends will be paid until bond interest has been paid for two years.

The future of Canadian Terminal Systems Ltd. is most uncertain and there would appear to be little prospect of any return in the next few years. At the same time there is very little market for securities of the company.

Proposes Exchange

I hold a bond of the Wellington Building Corp. which has not paid interest for some time. I am offered a bond of Canadian Rail & Harbor Terminals Ltd. in exchange. What is the position of these two bonds? Would it be advisable for me to make the trade?

The following information will aid you in deciding the advisability of a trade of Wellington Building bonds for Canadian Rail Harbor Terminals Ltd. Since the latter company has $3,500,000 of 6½ per cent first mortgage bonds outstanding, $2,000,000 of 7 per cent general mortgage bonds, $305,000 of 7 per cent debentures, $224,600 of 7 per cent preferred stock and 200,000 shares of no par value common stock, a great deal would depend upon which security you were offered. Canadian Rail & Terminals is in default of all interest on its general mortgage bonds and its debentures while the payment of interest on the 6½ per cent first mortgage bonds due September 1, was made in Canadian funds, although the trust deed provides for payment in New York funds upon option of the holders. The company has failed to earn fixed charges after depreciation in any one of the four years of its operations and all of its securities must be regarded as highly speculative although the 6½ per cent first mortgage bonds appear to be reasonably well protected by fixed assets if not by earnings.

The Wellington Building has been operated by the London & Western Trust Co. acting as receiver and manager for the past two years, and earnings have been more than sufficient to cover bond interest requirements. It has been necessary, however, for the trustee to make various alterations and repairs to the building in order to retain tenants and these expenses have prevented payment being made to bondholders. The recent loss of one or two large tenants will reduce earnings of the building to some extent, but probably not enough to reduce net income below bond interest charges. The trustee has built up a surplus of $15,000 or more in the past two or three years. If the building were sold, it is improbable that bondholders could get 100 cents on the dollar although it is possible that the return would exceed 80 cents on the dollar. If rental conditions show any improvement, the payment to bondholders on account of interest arrears is not an improbability.

There is practically no market on either issue.

Mining Enquiries

Mining questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A three-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write general investment and insurance enquiries on sheets separate from mining enquiries. No answers can be given by telephone or telegram.

Siscoe Gold Mines

What is the outlook for Siscoe Gold Mines? Do you consider it a safe speculation with a chance for improved earnings?

Siscoe Gold Mines has been giving a good account of itself and has been steadily increasing its production since it started about four years ago. Further expansion is under way planned for completion early next spring which should further increase earnings of the company. It enjoys excellent management but its ore is of such a nature that it almost precludes estimation and the property has to be judged largely on what it has done in the past rather than on the known existing ore.

International Nickel

How do you regard International as an investment. Would you advise selling at the present time?

International Nickel at current prices is clearly discounting the future earnings of the company, a feature that has characterized the shares for past 4 years. The earnings statement covering the three months ended September 30, 1932, showed that preferred dividends were earned before reserves but the net loss was $199,097. The statement showed a turn for the better with income $400,000 better than in previous quarter. The company is suffering in common with other base metal mining companies in that the market for its principal product, nickel, has been very seriously curtailed by industrial conditions. Its copper production, also an important source of revenue, has been very seriously affected by the lowest prices for copper in history. The company is one of Canada's leading mining and industrial enterprises and is firmly entrenched, controlling approximately 90 per cent of the nickel production of the world. Given a return of improved industrial conditions it should be one of the first companies to show improved earnings. It enjoys excellent management, it has tuned its production to meet current demand with the result that inventories are not increasing. Its cash position remains fair and it has no excessive funded charges to meet. The new expansion and construction programme completed about a year ago places the company in position as never before to produce increased quantities of copper and nickel at less cost and it is now awaiting only improved general conditions.

Lakeland Gold Mines

Will you please give me some information regarding the Lakeland Gold Mines? I understand a lot of ore has been developed and that a mill is being considered. Are the interests sponsoring the company experienced and do they enjoy a good reputation?

Lakeland Gold Mines was incorporated last year by a Hamilton group to rehabilitate and further prospect the old Murray Mogridge mines, about 3½ miles from Bourke's Station on the T. & N. O. Railway. While the property is in the general Kirkland Lake district, it is far removed from the producing section and there are no mines in the immediate vicinity. Development has been conducted on three levels to a depth of 450 ft., and some values have been encountered. No detailed statement has been made that would enable one to appraise the amount of ore found and to determine if it is of commercial importance. Plans call for immediately sinking to a depth of 1,000 ft., which would indicate that to the 450 ft. horizon the property is not burdened with ore.

The personnel of the directors includes some responsible men devoid of practical mining experience. As yet the property can only be considered in the nebulous stage of development and only a great deal more work will determine its mine-making possibilities.

Amulet Mines

I was told that Amulet Mine Limited and Waite-Ackerman were contemplating to amalgamate their interests and build a refinery for zinc in the Province of Quebec.

I wonder if there is any truth in that rumor and if so, would it be in favor of Amulet?

I would appreciate if you could give me what information you have regarding Waite-Ackerman.

A merger of Amulet Mines Ltd. and Waite-Ackerman-Montgomery Mines Ltd., has been mooted, but we are not aware that the deal has progressed to the point where terms are being considered. The operation of either of these properties does not appear imminent owing to the current prices for copper and zinc. Both companies were formed during a period of high prices for these metals, but the current prices, the lowest in history, have forced practically all small producers of these metals to suspend operations.

It is quite evident that zinc prices would have to show a substantial increase before the construction of a refinery would receive serious consideration.

Waite - Ackerman - Montgomery has current assets of approximately $175,000. All operations were suspended in April of this year without a great deal of success being encountered in its deep ore development programme. The developed ore reserves of the company as at December 31 last were 467,350 tons, averaging 6.08 per cent copper and 300,000 tons of zinc ore averaging 11.52 per cent zinc. Amulet owes Noranda Mines approximately $150,000. It is, therefore, apparent that a merger and the construction of a zinc refinery might be mutually beneficial when zinc prices improve.

Arno Mines

I purchased several blocks of shares of Arno Mines at prices varying from 20 to 60 cents per share. What are the chances of these shares increasing in price? Are the directors of the company to be trusted? What are its principal assets at the present time?

Since incorporation in 1927 the company has had interests in many mining areas, first, in Rouyn, then in Nova Scotia, then in Matachewan and Pascalis and in the Great Bear Lake area through the North of Sixty Synd. It has no tangible assets of importance at the present time. Its principal interest now centres about the Great Bear Lake area, its area is in a nebulous stage of development, and as yet no importance can be attached to it. The record to date has not been such as to inspire confidence.

Algoma Mining & Finance

Algoma Mining & Finance Corporation Ltd. has been recommended to us as an opportunity to participate in the prosperity that will come out of the Great Bear Lake district. We would be glad to get reliable information as to the property, character of directors, finances, number of shares issued, etc. and the prospects of this company becoming a mining proposition of considerable size. In a nutshell, is Algoma a company that will give the shareholders a run for their money or is it just a stock selling proposition? On the market the stock has dropped from 20 to 4 which does not look encouraging.

Algoma Mining & Finance Corp. was incorporated in 1928 and has been identified with mining promotions in various fields since that date. Arthur W. Carr has been the guiding spirit behind the company and although his name does not now appear among the list of directors, he is still identified with the company. Mr. Carr has not yet been connected with a successful mining venture. The Great Bear Lake property of the company can only be considered as so much "moose pasture;" like thousands of other claims in the area it may have importance, but only a great deal of money and development will determine its value.

Barry Hollinger Mines

I am a shareholder in Barry-Hollinger but am told the capital has been reduced to one half. I note that the new shares are now quoted at around $3. I have never received any official notification of this. Is the mine still working? Do they ever publish any reports? What is being done and why are shareholders kept in the dark?

Barry-Hollinger Mines changed its name on February 24 this year by supplementary letters patent from Barry- Hollinger Gold Mines, at the same time reducing the outstanding capitalization from about $4,500,000 to $2,299,675. Shares in the old company are exchangeable for shares in the new on the basis of two old for one new. About a year ago there was a change in the executive of the company which is now headed by Dr. E. H. Greene as president. The new group enjoys a very good reputation and a sincere effort is being made to make a mine. We cannot understand your not having any notice of the reorganization or not receiving the annual report as the present company has taken its shareholders into its confidence. Shares are selling at about 3 cents per share at the present time. The mine is still operating, but due to the lack of capital cannot conduct any extensive development programme and is confining its efforts to one small ore shoot which is steadily being deepened with the result that costs are increasing and unless the company gets a break by finding more ore or more money shortly operations will be forced to suspend.

Teapot Dome Oil

Please let me have what information you can on Teapot Dome Oil stock. I believe it was taken over by Keystone Petroleums.

Teapot Dome Oil was taken over by the Atlantic Keystone Petroleum Co. The shares of the company have no value nor have those of the Atlantic Keystone Petroleum Co. In a recent issue of The Financial Post you may have read an article describing how Atlantic Keystone is beset by troubles on every side. The United States Attorney-General's department is after it for their stock-selling methods; the Canadian Government is pressing for payment of taxes; and a Calgary firm has seized what little equipment it has in Alberta for non-payment of supplies purchased. There is no hope of shareholders realizing anything for their investments.

Macassa Mines

Valuing your frank opinion regarding mining investments, I should like to receive your comments on Macassa Mines, Ltd., developing a gold prospect in the Kirkland Lake area. What are the chances of this property making a mine? Is the management and the personnel of the board of directors favorably regarded? I have heard it mooted that financing was arranged in New York and that this group is intent on handing back their shares to the Canadian investing public at a handsome profit by staging a market play at an auspicious moment.

Macassa Mines is developing a property comprising 4,500 ft. of length along the main break of the Kirkland Lake camp—the richest gold producer in Canada. It adjoins the most westerly producer, Kirkland Lake Gold Mining Co., and has never been regarded by Macassa officials other than as a good geological bet in a favorable area with the hope that an intelligent development programme would produce a mine. Realizing the extent of the property and the possible expense incurred, the programme of development was not entered upon until funds were assured for a preconceived definite and conclusive programme. The guiding spirits in the company are experienced and trustworthy mining men. The programme started early last year followed financial arrangements being made in New York to take up treasury stock that has netted the company nearly 30 cents per share. Part of this stock was taken up by interests closely associated with the International Nickel Co. No commissions were paid and the only expense involved was a moderate salary to the company's president, who devotes his entire time to the company's affairs. In so far as we have been able to trace, there has not been a share of the stock taken up by the New York interests or resold, in fact, their original commitments have been further increased.

An intensive development programme is being conducted. A shaft has been sunk to the 2,500 ft. level and some commercial ore has been encountered, not of the massive nature found in the more central section of the main break, but similar to that found in the upper horizons of the adjoining Kirkland Lake gold mining property. The ore found to date does not brand the property as a made mine, but having regard for the large area yet to be explored it is imprudent to comment on its mine-making possibilities. It is still a prospect in an interesting stage of development.

Settle in Fort William District

New settlers to the number of 188 were placed on homesteads in the Fort William district during the fiscal year ended October 31, according to the Crown Lands Agent at Port Arthur. The total acreage taken over was 26.642. Ninety-nine of the settlers took up entirely new homesteads, opening up 15,330 acres of undeveloped land.

Co-operative Associations in Canada

There were 1,132 co-operative associations in Canada at the end of 1931 with a total membership of 756,420. These associations include productive, marketing, credit and savings, community hall and miscellaneous societies. Among the most important of the co-operative associations are those in western Canada formed to market wheat and other farm products.

Canadian Securities

Dominion of Canada
Dominion Guaranteed
Provincial Government
and Municipal Bonds

DOMINION SECURITIES
CORPORATION LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto

INDUSTRIAL ACCEPTANCE
CORPORATION Limited
Commercial and Industrial Bankers
Head Office—Windsor, Ontario

4%
paid on deposits—
subject to withdrawal
by cheque.

CENTRAL
CANADA
LOAN AND SAVINGS
COMPANY
KING AND VICTORIA STS., TORONTO
23 SIMCOE ST. N., OSHAWA
ESTABLISHED 1884

Capital: $1,000,000
Complete
Trust Service
covering
Wills and Trusts
Mortgage Loans
Real Estate and
Investment
Registrar and Transfer Agents
Safety Deposit Vaults

THE
EASTERN TRUST
COMPANY
Head Office — Halifax, N.S.
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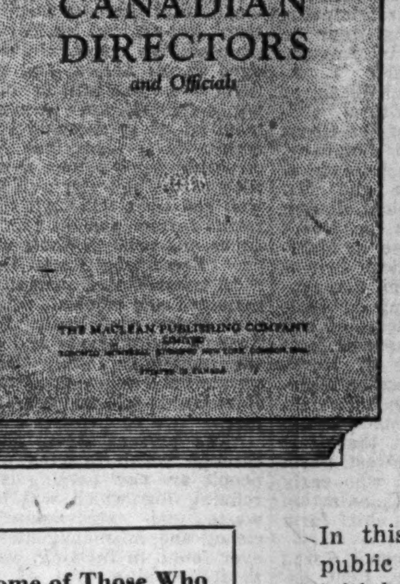

The Financial Post
DIRECTORY of
CANADIAN DIRECTORS
and OFFICIALS
1933

Names of Men Who Lead
in Canadian Business

This Directory, the only one of its kind in Canada, provides a valuable service to anyone wishing the names, addresses and business connections of business, industrial and financial leaders throughout the Dominion. These men have great influence and control the buying power of their companies.

Some of Those Who Can Make Good Use of This Book:—

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- Fire Insurance Companies
- High Class Jewellery Stores
- Lawyers
- High Class Men's Furnishing Stores
- Radio Dealers
- Real Estate Offices
- Sporting Goods Stores
- Steamship Companies
- Executives of Advertising Agencies
- Direct Mail Advertisers
- Aeroplane Manufacturers
- Architects and Builders
- Art Galleries
- Automobile Dealers
- Brokers and Bond Dealers
- Electric Refrigerator Companies
- Department Stores
- Banks
- Government Offices
- Newspaper Editors

In this Directory the directors of Canadian public companies are listed, with their name, initials, business address, home address in most cases, and a list of the companies with which each is associated. Officials, such as vice-presidents, general managers, secretary-treasurers, who are not sitting on the board of directors, are also listed with their name, initials, position occupied and business address. The type is large and the names are self-indexed alphabetically. About 6,000 names, 400 pages.

$10.00 a copy. Order your copy now.

USE COUPON

THE FINANCIAL POST,
153 University Ave., Toronto, Ont.

Attached is my cheque for $10. Please send me, postpaid, a copy of The Financial Post Directory of Canadian Directors and Officials, 1933, as soon as published.

Name ....

Address 175

New Books

PROFITS AT MERCY OF UNSTABLE UNIT DECLARES FISHER

Depressions Are Preventable Argues Yale Economist

Irving Fisher, professor of economics at Yale University, has long been an active exponent of the stable dollar. At this time, when every one recognizes that the major cause of depression is the inability of the world to tether its currencies to fairly rigid standards of purchasing power, it is not without point to recall that Prof. Irving Fisher was writing popular books and articles on the stabilization of the real value of monetary units before most people recognized that there was any real problem in the fluctuating price level.

His newest book, "Booms and Depressions," is not a careful analytical study of the basic problems of modern day economics but rather a collection of not entirely related thoughts and ideas on the subject of how booms start, how depressions end them and how crises grow in intensity. From the material presented Dr. Fisher comes to the inevitable conclusion that depressions are preventable and that monetary authorities, like the Federal Reserve System in the United States, have a large part to play in ending them.

Keeping Capitalism

The concluding paragraphs of his volume are interesting:

"The threat of Socialism (if it deserves to be called a threat) is, of course, often made by those who would stir people to the need of making things better. But the threat seems to become more logical every year; witness Russia since 1919, and Chili in 1932.

"Both war and the unstable dollar (with its hunger and its strikes) play into the hands of Socialism. What we call the Capitalistic System might better be called the System of Private Profits; and a depression, being a profit disease, is one to which Capitalism is peculiarly liable. So typical an exponent of Capitalism as Nicholas Murray Butler has recently affirmed that the system is on trial today. His remark, if he is right, can only portend that, unless Capitalism shall clean house by taking the dirt of depression out of profits, some form of Socialism may tear the house completely down. For profits are always at the mercy of the unstable dollar—always in danger of disappearing en masse whenever the price level shrinks, while debts and debt service do not.

"Socialistic thinkers of all degrees make common cause against private profits, and add that, without such profits, crises would disappear. Accordingly, in 1929-32, the plight of the capitalistic world drew a good deal of derision from the Russians, who, though not prosperous, were apparently going up while we were going down. I shall not here debate the comparative merits of the two systems. Capitalism boasts of its rewards for initiative; Socialism claims a less selfish stimulus for the same virtue. But, for the present purpose, suffice it that each system has been compelled to borrow from the other. The capitalistic system, for instance, is not wholly capitalistic: witness government itself, witness public schools, the post-office and the Panama Canal. On the other hand, Russia, which furnishes the only large-scale example of a socialistic experiment, has, in ten years, drifted perhaps as far toward Capitalism as we, in a thousand years, have drifted toward Socialism.

"Meanwhile—to close this book with the quotation with which it began—Sir Josiah Stamp, in the introduction which he was so kind as to write to the English edition of my little book, The Money Illusion, puts it thus: 'Money, as a physical medium of exchange, made a diversified civilization possible—and yet it is money, in its mechanical even more than its spiritual effects, which may well, having brought us to the present level, actually destroy society.'"

Comparing Two Dollars

In a recent address in Toronto, the Yale economist discussed the relative stability of the Canadian and the United States dollars in these terms:

"After two years' intensive study of booms and depressions, I have reached a very definite conclusion that they are almost wholly preventable. I have given my reasons in my book on the subject just out.

"The main preventive lies in preventing inflation and deflation alike. When inflation does occur, it should be corrected in part as soon as possible. Likewise, when, as recently, deflation occurs, it should be partially corrected at once. That is what we need at this moment. It is best called reflation, that is inflation justified because it remedies recent severe deflation.

"Since inflation of the price level means simply the depreciation of the dollar and since deflation of the price level means the appreciation of the dollar, it is clear that what we want is to prevent our dollar from stretching and shrinking, and if it does to correct it.

"The Canadian dollar has not misbehaved as much as the United States dollar because Canada went off the gold standard when the gold dollar was getting a panic value. The United States dollar has expanded and shrunk as follows:

"If we treat the 1913 dollar as 100 cents, then the following schedule shows the various buying powers which the dollar has had at various times since 1860.

In 1860, it was 96 cents
In Jan. 1865, it was 47 cents
In 1896, it was 150 cents
In 1913, it was 100 cents
In May, 1920, it was 45 cents
In 1922, it was 72 cents
In 1923, it was 69 cents
In 1924, it was 70 cents
In 1929, it was 71 cents
In 1930, it was 81 cents
In 1931, it was 98 cents
On Mar. 19, 1932, it was 111 cents
In the third week of June, 1932, it was 118 cents

"Or, if the 1929 dollar was 100 cents, then in the third week of June, 1932, when the dollar reached a peak value, it was $1.62."

Summary of Programmes

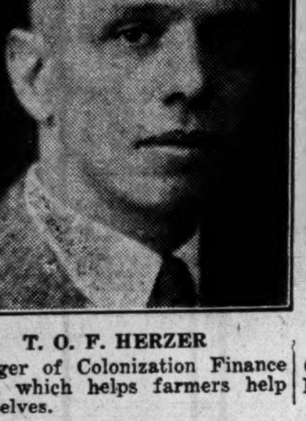
Included as appendices to "Booms and Depressions," are rather extensive, statistical and graphical records of the current depression, summaries of different schemes of dollar stabilization and of deflation and inflation, that have been presented, and an outline of a complete stabilization programme.

In Canada, "Booms and Depressions" is published by Longmans, Green and Co. at $2.75.

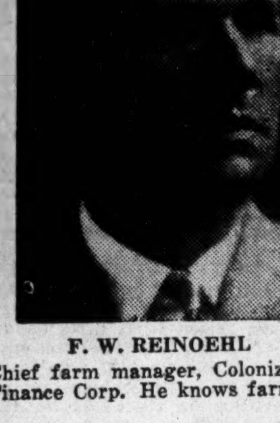
Pulpwood Cut in Quebec

Approximately 800,000,000 feet of pulpwood will be cut this winter, in the Province of Quebec, according to an announcement by G. C. Piche, chief of the Quebec Forestry Service.

Give Help to Prairie Farmers



T. O. F. HERZER
Manager of Colonization Finance Corp., which helps farmers help themselves.



F. W. REINOEHL
Chief farm manager, Colonization Finance Corp. He knows farming.

Loaning Firms Protect Farm Mortgage Assets by Help to Mortgagors

Lessons in Farm Management Taught to Prairie Borrowers in Hope It Will Increase Return Per Acre and Put Security Behind Loans

Composed of nine of the more influential insurance and trust companies of Canada, the Colonization Finance Corporation of Canada is making very satisfactory headway in its efforts to stabilize farming in Western Canada, especially in those districts which have suffered most in recent years. The areas included in the operations of this corporation cover practically all of the Province of Manitoba and the eastern portion of the Province of Saskatchewan up to and including Range 14 West of the Second Meridian.

The need for agricultural adjustment in farm parctices, caused by the economic and financial upheaval of the past few years, led to the organization of the Colonization Finance Corp. for the purpose of carrying out a programme of improved farm management on farms in which certain loaning companies are interested financially.

This corporation, organized in February, 1929, co-ordinates the interests of both the Eastern Canadian financial institutions and the Canadian farmers, through the services of a staff of men selected entirely because of their ability to work with farmers in improving farming operations.

Capable Men at Head

Financial interests had confidence in the newly formed organization at the outset when it was learned that the late Charles Bowman, chairman of the board of the Mutual Life Assurance Company, had assumed the presidency of the organization; with J. F. Weston, managing director of the Imperial Life Assurance Co., as first vice-president; and Col. J. S. Dennis, C.M.G., Victoria, representing the Canadian Pacific Railway as second vice-president. T. O. F. Herzer, of Winnipeg, was appointed as manager of the corporation, he being also manager of the Canada Colonization Association, a subsidiary of the Canadian Pacific Railway.

Mr. Bowman's death, which occurred in October, was a distinct loss to all Canada but more especially to Western Canada, to the agricultural interests of which he had devoted much time and energy for many years.

In an address in Winnipeg, last summer, delivered before the closing banquet of the Northwest Farm Managers' summer tour, Mr. Bowman told, in his own words, of the organization of the Colonization Finance Corporation and the progress made since its inception.

Bowman Describes Work

Organized farm management in Western Canada, Mr. Bowman recounted, received its first impetus from an investigational tour to North Dakota made in August, 1929, by the Honorable T. A. Crerar, Dean W. C. McKillican, of the Manitoba Agricultural College, C. E. Trimmer, of the Great West Life Assurance Company, W. M. Wallace, of the Confederation Life Association and Mr. Herzer. This delegation, finding agricultural conditions in North Dakota similar to those in Manitoba, received a practical demonstration of what farm management was accomplishing in dealing with serious problems of soil depletion and weed menace from which both the State of North Dakota and the Province of Manitoba were suffering. On this visit, contact was also made with Frank W. Reinoehl, at that time president of the Northwest Farm Managers' Association, who early in 1930 joined the Colonization Finance Corporation as chief farm manager.

The Colonization Finance Corp., organized in February, 1929, decided, Mr. Bowman said, to enlarge its scope of activities by adopting an extensive farm management programme, to provide more intensive supervision of farm properties than individual companies could provide. This was designed to be a fitting complement to the excellent organization of loan managers and inspectors of the several companies.

Now Manage 475,000 Acres

During the first year, the Farm Management Department operated in a very limited manner, having only 25,000 acres in the Province of Manitoba under the management of the chief farm manager, assisted by two zone farm managers. During 1931 the staff of the Colonization Finance Corp. increased to six zone managers supervising 430 farms comprising 170,000 acres, situated almost entirely in the Province of Manitoba. Last spring the operations were extended to the Province of Saskatchewan and at the present time the Farm Management Department, consisting of the chief farm manager with 13 zone managers, has under its supervision more than 1,375 farms, totalling approximately 475,000 acres. Of these farms, over 80 per cent are operated by owners, either as mortgagors or purchasers under sales agreements, and 20 per cent by tenants.

Soil depletion, soil drifting and the prevalence of weeds are of such a serious character that a considerable percentage of the farmers of Western Canada, if left to grapple with their own problems without the help of a practical farm management programme, will be faced with failure, it is believed by the sponsors of the corporation. While prevailing low prices for farm products have doubtless played an important part in the financial stress from which farmers are suffering, yet surveys of the older agricultural districts in Western Canada have disclosed that during the period of high priced wheat, such deterioration had generally taken place in the physical condition of farms as to make impossible profitable farming operations, even with price levels on a much higher basis. The price of agricultural commodities is largely beyond the control of the individual farmer, but farm practices leading to successful operation of his farm are, to a large extent, in his immediate control.

Huge Loss From Weeds

In a bulletin issued some years ago by the Department of Agriculture of the Province of Manitoba, the statement was made that the annual toll taken out of the farmers of the province, through weeds alone, was $20,000,000. A toll of $20,000,000 a year from January 1, 1915, to December 31, 1931, compounded at 6 per cent interest represents a total loss to the farmers of Manitoba during that period of an amount of $575,000,000 — more than sufficient to retire the funded indebtedness of the Province of Manitoba, the funded indebtedness of all the rural municipalities of the province, pay all tax arrears, pay all the farm mortgages in the Province of Manitoba and leave a very substantial cash balance.

One of the chief purposes of the Colonization Finance Corporation is to put into operation on all farms in which its member companies are financially interested, a farm management programme that will get the highest results. Placing a farm under management of the Colonization Finance Corporation means that the farmer on the land and the farm manager, by putting their heads together and working out a plan of operation will, through whole-souled co-operation, develop the farm to the highest possible standard of which that particular farm is capable. It means that the best farming practices known to agriculture are adopted; the result is a well managed farm; and a well managed farm is a successful farm. Industry, combined with good management of every farming operation, results in a farm free from destructive weeds, clean grain, good tilth of the soil and well bred and well fed livestock. All this bring to the farmer and his family confidence and pride in their work.

Preserving Farm Unit

"A rehabilitated agriculture, well managed and efficient, will eventually repay the loans made the financial institutions and preserve the individual family farm, that greatest of all assets," said Mr. Bowman in his address last summer.

"The present stress and strain through which farming and farm people are now passing is but the refining fire which will burn out waste and extravagance, inefficiency and mismanagement whenever found in farming, and create in its stead a type of farming, permanent and sound, the products of which can compete successfully in the markets of the nations of the world."

Mr. Bowman, at the same time, expressed his faith and confidence in the future of agricultural Canada in these words: "I confidently expect that with more business-like management and operation of the fertile agricultural lands with which Providence has so richly endowed Western Canada, that farm lands will again become the prime security upon which the financial institutions of Canada may safely extend credit . . . . and I am fully confident that Canada, with its natural resources and high standard of citizenship, will be one of the first countries to emerge successfully from the present financial and economic situation which has so seriously affected the entire world."

Staff Chosen For Work

The staff of the Farm Management Department of the Colonization Finance Corporation are educated and experienced men in their fields. The chief farm manager, Frank W. Reinoehl, was brought to Canada from Larimore, North Dakota, by the Colonization Finance Corp. because of his success in farm management work in the United States extending over a period of years. A survey made some years ago by the Scripps Foundation on the North Dakota farms managed by Mr. Reinoehl showed that the net returns were $1.43 per acre per year higher than on an equal acreage with similar soil and climate not so supervised and managed, undeniable proof that the right kind of farm management pays, and a striking tribute to Mr. Reinoehl. He was also president for three successive years of the Northwest Farm Managers' Association of the United States, an organization made up of land owners, business interests possessing extensive holdings and managers of large farms and estates, representing, in the aggregate, millions of acres of land.

Farm-bred College Men

The farm managers on the Colonization Finance Corporation staff are mature men, farm-bred, college trained with long experience in the business and economic side of agriculture. Their technical agricultural education has been supplemented by experience in business and practical farming, extending over a number of years.

The personnel of the staff of farm managers is: R. W. Gowland, Winnipeg; George H. Jones, Portage la Prairie, Man.; A. R. Judson, Dauphin, Man.; W. J. McLeod, Moosomin, Sask.; H. J. Siemens, Brandon, Man.; A. J. Clark, Deloraine, Man.; Joe B. Day, Oxbow, Sask.; William Harkness, Weyburn, Sask.; H. B. Sommerfeld, Yorkton, Sask.; Oscar Winkler, Canora, Sask.; O. S. Longman, Indian Head, Sask.; G. H. Parker, Winnipeg; Kenneth D. McLean, assistant farm manager, Birtle, Man.

Protecting Investments

It has been the experience of the nine financial institutions which represent the membership of the Colonization Finance Corporation of Canada Limited, during the past ten years, that whenever a farm loan becomes badly in arrears the security back of the loan is in immediate danger of rapid depreciation. Under this condition the farmer's morale is destroyed and a badly run down farm is inevitable. When such a case eventually goes to foreclosure, the farm with respect to soil and buildings is in such a run down condition that the new operator, usually under a sale agreement, is unable to make real progress, soon loses heart, gives up in despair and is in turn often replaced. It has also been discovered that many of the new operators are less able to make a success of operating the farms than the former owners.

The immediate task becomes a problem of preserving the very security upon which farm loans have been made. This is being done by placing in the midst of a group of such farms a man well qualified to work with the farmers toward this end. The distinct advantage of the nine companies cooperating is that within a comparatively small area, a group of farms is so situated that the cost of travel, and time spent in travel, is reduced to the very minimum. By such joint action it is possible to bring to the assistance of the men actually in the field, the experience of one who has himself solved farm management problems similar to those confronting the former. This makes for more rapid progress with a minimum of waste and experimentation.

Can Benefit From Prices

Since the inception of the idea and the subsequent organization of the Colonization Finance Corp., operations have been carried on quietly and all publicity has been discouraged. Now, however, as the exigencies of organization have, to a large extent, been disposed of; and since notable progress has already been made in the short span of the corporation's life; member companies and the management of the Farm Management Department of the Colonization Finance Corporation welcome inquiries into their methods, believing a way has been shown toward a solution of current agricultural conditions to the satisfaction of both investment companies and the farmers.

The judgment of the executives of the loaning companies who had determined on this policy, has already been vindicated, since it has been demonstrated that at a minimum cost, the security of farm loans can be preserved and even improved under the existing price situation. No one expects much improvement of farm finances under present price levels, but because of the improved condition of the farm and farm operations, these farmers and their lending companies will be in a position to take advantage of any improvement in the price situation.

B. C. SAWN LUMBER EXPORTS DECREASE

Australia Takes More Than Double 1931 Share of Total

A decline of 113,730,113 ft. was registered in the first nine months' exports of B. C. sawn lumber this year. Most of this decline was experienced in exports to what are classified as North American destinations. Shipments overseas were well maintained during the year, being less than 4,000,000 ft. below the shipments for the same nine months of 1931.

Australia has been a heavy importer of such lumber this year, having more than doubled the 1931 imports in the corresponding period. Exports to the United Kingdom and the continent of Europe were also materially increased. China, Japan and South Africa showed the largest decreases in imports of B. C. lumber.

The following table indicates the changes in amounts exported to various countries in the first nine months of 1931 and 1932:

Nine Months' B. C. Sawn Lumber Exports	1932	1931
Overseas:		
Australia	88,831,000	33,459,290
South Africa	3,499,843	8,030,000
Central America	1,568,190	92,853
China	32,462,160	40,290,791
India	462,274	
Egypt		4,195,326
Japan	46,597,506	95,966,812
New Zealand	612,818	2,200,248
South America	26,577	1,354,028
So. Sea Islands	1,398,021	2,296,149
United Kingdom and Continent	78,406,647	68,871,194
West Indies	5,809,331	6,221,213
Total	259,675,013	263,212,547
North America:		
Atlantic Coast	38,507,295	125,272,142
California	9,637,825	29,279,816
Panama Canal		142,703
Unclassified	24,311,853	27,354,891
Total	72,456,973	182,649,552
Grand Totals	332,131,986	445,862,099

Dividends Paid in 1932 Are 27 p.c. Under 1931 Level

Total of $164,649,716 in Current Year Compares With $226,351,116 in 1931 and $284,641,000 in 1930; Five Bonuses Declared For December

Dividend disbursements by Canadian corporations during December will total $19,859,000, according to The Financial Post compilation, and will show a reduction of some 27 per cent from the $26,739,000 paid in the corresponding month of 1931. In December, 1930, dividend payments totalled $47,921,000; in the same month of 1929, $35,772,000 and in December, 1928, $20,713,000. Since December is one of the peak months for dividend payments and the effect of dividends changed or passed during the year is felt to the full, the reduction in the total is an indication of the effect of the current year on investors holding preferred and common stocks.

Total dividends paid by Canadian corporations during 1932 will total some $164,649,716 by the year end or 27.2 per cent less than the $226,351,116 paid out in 1931 and 42 per cent less than the total of $284,641,548 paid out in 1930. The record of total payments by months in 1932 and 1931 is as follows:

Month	1932 $	1931 $
Jan.	20,400,598	27,959,397
Feb.	4,095,424	5,101,369
Mar.	18,944,926	24,376,795
Apr.	21,273,875	32,126,789
May	4,674,523	5,301,127
June	19,342,689	28,899,218
July	16,008,127	21,908,004
Aug.	4,391,902	4,967,651
Sept.	16,049,340	19,765,080
Oct.	15,957,057	24,451,599
Nov.	3,652,381	4,756,132
Dec.	19,858,874	26,738,555
	164,649,716	226,351,116

In December five companies will pay a bonus in addition to their regular dividend while two companise are making some payment of preferred dividends in arrears. Loblaw Groceterias Ltd. is paying a bonus of 20 cents per share on both class A and B stock; Lake Shore Mines is paying a bonus of 50 cents a share; McIntyre Porcupine Mines is paying a bonus of 12½ cents; Hollinger a bonus of 1 per cent and Sylvanite one of one-half cent a share. Acadia Sugar is paying 10 cents on account of arrears of preferred dividends in addition to the regular semi-annual dividend of 15 cents per share while Loew's London Theatres is paying a dividend of 52½ cents on account of arrears on preferred stock.

Common dividend of National Sewer Pipe Co. has been reduced to the rate of 60 cents per year from $1.20. Dividends on the common stock of Brazilian Traction, the preferred stock of H. Simon & Sons and the class B preferred stock of Canada Bread Co. have been passed. Crow's Nest Pass Coal Co. is paying at the rate of $6 a share on its stock as against the former rate of $4 per year.

Dividends declared for payment in December are as follows:

SUMMARY OF PAYMENTS

Dividends	$19,858,874
Bond interest	27,014,074
Total	$46,872,948

DIVIDEND PAYMENTS

Company	Rate	Date	Amount
Acadia Sugar pfd.	25c.s†	1	$ 75,000
Andian National	$1s	15	2,550,000
Bank of Montreal	2½q	1	900,000
Bk. Can. Nationale	2½q	1	175,000
Bank of Toronto	2½q	1	150,000
Belding Corticelli pfd.	1¾q	15	15,142
Canada Malting	37½cq	15	74,614
Canada Vinegars	40cq	1	36,300
Can. Bk. of Commerce	2½q	1	750,000
Can. Hydro Elec. 1st pf.	1¾q	1	187,500
Can. West. Nat. Gas, pfd.	$1.50q	1	52,500
Cons. Divers Std. Secs. pfd.	25c	1	12,883
Crow's Nest Coal	$1.50q	1	93,189
Eastern Theatres c.	50cq	1	16,000
Hollinger Gold	1+1%	1	492,000
Imperial Oil (No. 35)	12½cq	1	3,343,790
Imperial Tobacco, ord.	8½cq	31	836,965
Inter. Milling pref.	1¾q	1	61,526
Do., pref. "A"	1¾q	1	13,767
Inter. Petrol. (No. 35)	25cq	15	3,581,022
Do., pref.	25cq	15	50,000
Inter. Proprietaries 'A'	65cq	15	145,772
Lake Shore Mines	50+50cq	15	2,000,000
Laura Secord	75cq	1	43,125
Lindsay, C. W., pfd.	1⅝q	1	11,108
Loblaw "A" & "B"	20cq	1	169,193
Do., bonus	20c	1	169,193
Loew's London, pfd.	5¼%*	31	17,713
McColl Frontenac c.	15cq	15	75,000
McIntyre Porc. Mines	25cq	1	199,500
Do., extra	12½c	1	99,750
Montreal Cottons	1¾q	15	45,000
Do., pref.	1¾q	15	52,500
Montreal Loan & Mtg.	3q	15	18,000
Nat. Sewer Pipe	15cq	15	7,978
Do., Class "A"	60cq	15	17,862
Noranda Mines	60c	21	1,343,863
N.S. L. & Pr. pfd.	$1.50q	1	18,750
Ogilvie Flour pref.	1¾q	1	35,000
Petrol Oil & Gas	1c	20	11,000
Provincial Bank	$2q	1	80,000
Rolland Paper, pfd.	1½q	1	22,500
Royal Bank	2½q	1	875,000
Royalite Oil	$1	15	500,000
Sherwin Williams pfd.	1¾q	31	60,550
Siscoe Gold Mines	3c	16	142,500
Sylvanite Gold	2+½c	31	82,487
United Amusement, "A" & "B"	40cq	15	29,746
POST BELL and ROD			
Walker-Hiram pref.	25cq	15	128,586
			19,858,874

*For the three-quarters of the year ending Dec. 31, 1931.
†Includes 10 cents on account of arrears.
q—Quarterly.
s—Semi-annually.

BOND INTEREST DUE IN DECEMBER

Company	Rate	Date	Due	Amount
Adel.-Peter Bldg.	6½	1	1948	$ 11,478
Alta. Pac. Grain	6	1	1946	85,080
Auditorium	6½	1	1944	9,236
Barcelona Tr. 1st mtg.	5½	1	1974	224,484
Bawlf Terminal "B"	6	1	1942	6,150
372 Bay St.	6½	1	1947	26,942
Bell Tele. "B"	5	1	1957	750,000
B.C. Tele. "A"	5	1	1960	250,000
Canada Paper	6	4	1945	50,280
C.N.R. (Dom. Can.)	4½	15	1955	1,187,500
Do.	4½	1	1965	787,500
Can. Nor. Rly. 1st mtge.	4	1	1939	160,600
Do., Alta., gtd.	4	1	1939	111,732
Do., gold deb.	4	1	1940	849,905
Cawthra Apts.	7	1	1946	14,875
Can. N. West. Rly.	4½	1	1942	144,540
C.P.R. Trust	5	1	1954	750,000
C.P.R. Note Cert.	4½	15	1944	492,734
Cons. Press	6½	1	1949	19,038
Consumers Glass	5	1	1948	31,137
Deer Park Manor	7	1	1940	5,040
Dominion Glass	6	2	1933	16,335
Frontenac Brew.	6	1	1951	26,826
400 Avenue Road	7	1	1946	9,814
For. Pow. Secs. "A"	6	1	1949	135,000
Gatineau Power	5	1	1956	1,765,000
Do., S.F. debs.	6	15	1941	334,290
Gleneagles Inv.	6½	15	1944	34,976
Godfrey Realty	6	1	1942	42,750
H. Smith Pap. "A"	5½	1	1958	192,500
Ind. Accept. "A"	6	1	1940	29,400
Inv. Bond & Sh. A.	5	1	1947	62,162
Keefer Realty	6½	1	1943	24,375
Lake & Rail Ware. "A" & "B"	6	1	1951	55,875
Loew's, Marcus	6	1	Serial	3,870
Lon. Can. Inv. "A"	4½	1	1948	105,638
Maple Leaf Mill.	5½	1	1949	127,063
Matapedia Val. L.	6½	1	1944	10,786
Montreal Coke "A"	5½	1	1947	110,000
Montreal Apts.	7	1	1938	21,542
Mt. Royal Hotel	5½	1	1947	97,900
Nat. Paper Box	6½	1	1936	3,250
N. Que. Pr. "A"	6	1	1945	79,500
N.S. Light & Pr.	5	1	1958	106,612
Ottawa Elec.	5	1	1933	15,625
Power Corp. "A"	5	1	1957	60,367
Quebec Power	5	1	1968	297,025
Ritz Carlton Hotel	5	1	1942	16,187
Riverside Iron	7	1	1947	7,094
Rolland Paper "A"	5½	1	1948	67,375
Shaw. Cotton	6	1	1949	23,190
St. Maur. Val. Cot.	6	1	1952	57,519
Standard Clay	6	2	1942	15,327
St. Regis Paper	6½	1	Serial	31,688
Van. Georgia Htl.	6½	1	Serial	42,022
Wabasso Cot.	6	1	1947	22,880
Windsor Ct. Apts.	6	1	1942	12,000
Windsor Arms	6½	1	1947	11,375
Windsor Htl. "A"	6	1	1947	31,647
Windsor Htl. S. Ste. Marie	6½	1	1950	10,562
York-Adel. Rlty.	7	1	1945	14,000
Do. gen. mtge.	6½	1	1950	5,200
Corporation bonds				10,104,848
Victory Loan	5*	1	1937	6,498,217
Municipal bonds				*5,541,670
Provincial bonds				*4,869,339
Total				27,014,074

*Figure is determined by dividing by twelve the ultimate total interest payable during the year on these issues.

Valleyfield Retail Trade Totalled About $4,000,000

There were 142 retail stores in Valleyfield, Que., in 1930, with 361 employees, payroll $304,900 and sales of $3,914,700. There were 64 service establishments with 52 employees, payroll $29,800 and receipts of $184,600. The food group had 66 stores with 108 employees, payroll $81,100 and sales of $1,031,100.

The 8 hotels reported 167 guest rooms, 32 employees, payroll $21,256 and receipts $97,650. Census population 11,411.

Chicoutimi Shown to Have 116 Retail Stores in '30

There were 116 retail stores in Chicoutimi in 1930 with 252 employees, payroll $257,700 and sales of $2,560,700. There were 42 service establishments with 77 employees, payroll $76,900 and receipts of $280,700.

There were 53 stores in the food group with 45 employees payroll $38,100 and sales of $643,700. The automotive group had sales of $608,300. Census population 11,877.

St. Thomas Retail Trade Totals Over $6,500,000

There were 253 retail stores in St. Thomas, Ontario, in 1930 with 879 employees, payroll $798,000, and sales of $6,555,800. There were 89 service establishments with 194 employees, payroll $86,600, receipts $407,000. The food group had 73 stores with 202 employees, payroll $149,300 and sales of $1,767,200.

Six automobile dealers had sales of $343,300. Of the 253 retail stores 196 were single store independents. Census population 15,430.

Guelph Retail Trade Reached Nearly $9,000,000

There were 296 retail stores in Guelph in 1930 with 936 employees, payroll $978,100 and sales of $8,828,800. There were 128 service establishments with 213 employees, payroll $192,900 and receipts $748,800. The food group had 107 stores, 232 employees, payroll $190,400 and sales of $2,475,100.

Seven automobile dealers had sales of $1,047,000. Of the 296 retail stores, 237 were single store independents. The census population was 21,075.

Balance of Trade Reversed in 12 Months

During the twelve months ending October the excess of total exports over total imports was $51,779,800, as compared with an excess of imports over exports of $30,230,582 in the previous twelve months and an excess of imports over exports of $98,456,575 in the twelve months ending October, 1930.

The excess of exports over imports in trade with the United Kingdom was $86,693,164, in the previous twelve months $57,927,785 and in the twelve months ending October, 1930, $86,322,808.

The excess of exports over imports in the trade with British Empire countries in the last twelve months was $92,271,843 as compared with $68,794,142 in the previous twelve months and $104,756,254 in the twelve months ending October, 1930.

The excess of imports over exports in the trade with the United States in the last twelve months was $92,942,780 as compared with $141,720,234 in the previous twelve months and $251,127,656 in the twelve months ending October, 1930.

Cons. Oka Sand Fails to Meet Bond Interest

From Our Own Correspondent

MONTREAL.—Interest on first mortgage bonds of Consolidated Oka Sand and Gravel Co. due November 1 has not been paid. It is understood that the company has the matter under discussion with the National Trust Co., trustee for the bond issue, with a view to finding funds to meet the obligation.

At the end of 1931 there were outstanding $671,000 of 6½ per cent first mortgage bonds of an original issue of $700,000. Bonds were sold by James Richardson and Sons in December 1928 at par.

Decline in building activity has been responsible for lower earnings of Consolidated Oka Sand. The company owns sand and gravel deposits in Quebec and is engaged in transporting and selling production from these deposits in and around Montreal.

Earnings in 1931 were sufficient to cover bond interest and depreciation but failed to cover preferred dividends, profits being equal to $5.19 a share against disbursements of $7 a share. Preferred dividends were discontinued in March this year.

Saint John Exports Grain

A million bushels of grain are destined to move out of the Port of Saint John in the early days of December and this business is expected to be brisk throughout the winter months.

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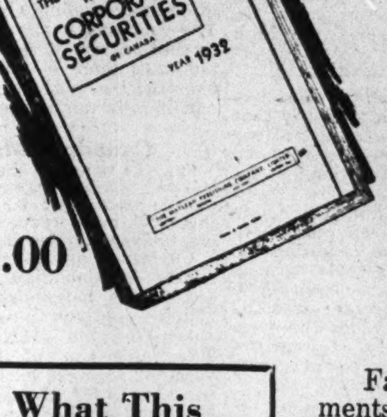
India: H. Maddison, Calcutta.

1932 SURVEY OF CORPORATE SECURITIES



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SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

Vol. XXVI | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, DECEMBER 3, 1932 | 10c a Copy; $5.00 a Year | No. 49

HINDE & DAUCH PROFIT HIGHER EARNS INTEREST

Operating Economies By New Management Give Good Results

MAKES PAPERBOARD

Depreciation and Interest Fully Covered in 10 Mos. $125,000 Bank Loan is Paid Off

With a decrease in price for its products, operations of Hinde & Dauch Paper Co., of Canada, Ltd., in the first ten months of the current year have been more active and, through economies effected by efficient management, earnings of the company to the end of October were sufficient to meet bond interest and depreciation whereas in 1931 a loss of $33,771 was incurred before bond interest and depreciation which totalled $264,695. The improvement in earnings position is reflected in the balance sheet and the company has retired bank loans of $125,000 during the year.

The recent development of a paperboard division is currently announced. Paperboard will be manufactured with equipment that has been idle for some time and will be sold to carton manufacturers. This development does not call for any great capital expenditure other than the re-vamping of a machine that was in use regularly from 1913 to 1929 but which has been in use only four months in the past two years. This machine has a capacity of from 45 to 50 tons daily on higher grades of paperboard and 55 to 60 tons daily on the lower grades. Some 35 additional employees have been added to the payroll. F. F. Arnoldi, formerly with Canadian Paperboard Co., has joined Hinde & Dauch as sales manager for the boxboard division.

It is felt that this new development is being launched at a good time as the Toronto plant of Canadian Paperboard Co. is being closed up. The manufacture of paperboard will add 50 per cent to the output of the company, it is understood, and will give the company a new product not heretofore produced. The added number employed brings the total of employees in the Toronto plant to about 250.

Effects Savings

Price on test liner board, the chief product of the company, is down to $42.50 per ton delivered, a drop of 15 per cent from the price of $50 that prevailed in 1931 and very considerably below the former normal price of $60. With this drop in price the dollar volume of sales is down about 10 per cent in the first ten months of the current year although volume of sales is approximately the same as in 1931 at 22,000 tons in the first ten months of 1932. This compares with 15,000 tons in the same period of 1930. The very substantial improvement in earnings is entirely due to lower operating costs and savings that have been effected by L. F. Winchell, general manager of the company, who took charge in September, 1931. Chief savings have been made at the Trenton, Ont., plant, where 72 men are now producing 70 tons of strawboard daily as compared with 40 tons formerly produced each day by 110 men.

At the end of the last fiscal year, December 31, 1931, the company had a ratio of current assets to current liabilities of 2.39 to 1 and this ratio now stands at over 3 to 1, higher than in any year since 1928. The company now has no bank loans, $125,000 having been retired during 1932. Accounts receivable are up to $290,000 from $227,319 shown at the end of last year while inventories, shown at that time at $360,343, have been reduced. Not only has the current position of the company been improved but some $73,500 of bonds have been retired leaving $1,290,000 of 5½ per cent first mortgage bonds outstanding out of the original $1,500,000 sold to the public in May, 1928.

While no estimate is made as to earnings on the 299,933 shares of no par value common stock outstanding it would appear that there is some possibility of a few cents a share being earned in the current year. Improvement in general business conditions would be immediately reflected in the company's earnings since the container industry serves practically all types of Canadian manufacturers whose need for containers increases immediately with any improvement in public demand, wholesale or retail. While improvement in the price situation is not expected any enduring increase in price on liner boards would place Hinde & Dauch in a position where common dividends would be possible.

Hinde & Dauch Paper Co. of Canada Ltd. was originally established in 1910 and is one of the leading producers in the industry in Canada. A majority of the common stock is owned by Hinde & Dauch Paper Co., of Ohio, but the stock is listed on the Toronto Stock Exchange where it is traded irregularly and the bonds of the company were offered both in Canada and the United States. Products now include paperboard, boxboard and corrugated paper used in the manufacture of containers while solid fibre and corrugated containers are also made. The company operates plants in Toronto, Trenton and Montreal, the Trenton plant specializing in strawboard and the Montreal plant in the manufacture of fibre containers.

Buchanan Joins Board of Sherwin-Williams Co.

From Our Own Correspondent

MONTREAL.—A. W. P. Buchanan, K.C., of Montreal, has been elected to the directorate of Sherwin-Williams Co. of Canada to replace the late W. C. Cottingham. The only other change in the board was the retirement of W. S. Cottingham. Annual meeting of shareholders was routine in nature.

Deplores Liquidation of Prairie Merchants

Western Farmers More Contented Now Than Year Ago — No One Pressing Farmers Unduly for Debt Payment

By Staff Editor

WINNIPEG.—"The western farmer is less discontented now when wheat is selling at about 30 cents a bushel on the farm than he was a year ago when wheat was selling at 45 cents a bushel on the farm." This statement made by a grain man who recently visited several score of western farms on a tour of fact-finding obtains ample confirmation in conversation with all classes of western people.

Outside of a few drought-stricken areas, most prairie farmers have crops of sizeable proportions this year. Only wheat has a cash value worthy of serious reckoning in casting up accounts. The price the farmer receives for barley, oats and other coarse grains is so low that creditors in the main refuse to accept them in payment of accounts; rather they urge the farmers to keep these grains on the farm, to use them for feed and if necessary get in some stock to consume them, but in any event not to dump them at present prices.

Taxes Come First

First thing the farmer has to do with his grain or the proceeds of his grain is to pay his taxes. If he does not pay his taxes voluntarily the municipality will seize his wheat for the purpose. Reasonable judgment is shown and generally speaking the grain seizures by municipalities have not left any farmers in distress. Next he has to settle with the mortgage company, if he has a mortgage. The picture of a debt stricken west should not be exaggerated. Less than 50 per cent of the farms are mortgaged. The Financial Post looked over the mortgage record of one large loaning company. One thing that was significant is that on the average the mortgages had been reduced to about one-half of what they were when they were first made. On the basis of explanations afforded by officials of the company almost all of the mortgages seemed to provide good security. In the case of every one some payment had been received this year and in at least half the cases the payment not only covered the year's interest but some small amount on principal.

But it takes a lot of effort to collect the money. One mortgage manager spent two months in a car travelling 10,000 miles over prairie roads. He collected $20,000, mostly interest. His out of pocket expenses were just under $500. Most of the stubs in his receipt book were for storage tickets on grain in the country elevator. Usually the grain was sold at once and the proceeds credited on the account. Some of the stubs indicated, however, that the farmers were still optimists for arrangements had been made to sell the grain on December 1 or January 1, the farmers hoping for higher prices by those dates.

Keen Desire to Pay

While a great many political leaders of the western farmers are talking about the necessity of relieving the farmer of his debts the farmers themselves are not talking that way. Almost every farmer in Western Canada expects and hopes some day to pay every cent he owes. There is absolutely no wild talk among the farmers themselves as to repudiation of debts. One thing that has maintained the good nature and morale of the farmer is that he has not been unduly pressed by the banks, loan companies, implement companies, and other creditors. If he can pay something on account he is expected and asked to do so. If he cannot, then the creditors know there is no use worrying him. Borrowers and lenders are very much in the same boat and realize it. There is a tacit moratorium on foreclosures and seizures.

Making Best Of It

"The spirit that prevails on the farms of Western Canada is magnificent," one Winnipeg man who has just returned from a visit to several score communities, said to The Financial Post: "There are more country dances and socials now than ever The farmers have set out to enjoy themselves and they are doing it.

"They have shown a most uncanny genius for saving in their daily expenditures. Some of the little tricks and devices that have been used, for example, in patching up old machinery, in order to avoid buying new spare parts, are most ingenious.

"The farmers are not at all good prospects as followers of the radical politicians and inflammatory Reds that now infest the West.

Plight of Merchants

'But there is another class of people in the west who have received less consideration from their creditors and if there is any danger it is among this class. I refer to the small business men in the villages and towns, the village grocer, the local hardware man, etc. These retail merchants are definitely discontented. They have had to bear the shocks of the economic upheaval without receiving any of the protection that has been afforded to the farmers. If the farmers cannot pay their debts no one attempts to make them do so. It is different with the merchants. They are themselves the last to be paid. The municipality takes its toll from the farmer for taxes. The mortgage company, being secured, is the next to be paid. The implement companies, the banks and any other creditors usually get in ahead of the local merchant. The merchants have to keep the farmers' accounts open and see them through. But when the banks and the wholesale houses and the manufacturers press the merchants it makes it very difficult for them.

"They are good hearted, generous people, these retail merchants of Western Canada's small prairie centres. I was in a hardware store. A farmer came in and wanted 75 cents worth of wood screws to repair his implements. The hardware man pointed to a sign reading 'Spot Cash.' The farmer said he hadn't 75 cents in cash; he'd pay when he sold his oats. The merchant gave him the screws. He told me that it just brought him 75 cents nearer bankruptcy. He knew the farmer would pay some time but in the meantime his creditors wanted their cash.

Need Some Consideration

"There are too many of the small western storekeepers being driven into bankruptcy. Some of this was inevitable because in the boom days too many people opened stores in the west. But the liquidation of the small retailer in the west has proceeded too far. These country merchants in the west are part of the very warp and woof of the citizenship of Western Canada. They are pillars of our western society. We need them. Chain stores can never give the western farmer the support and service that he has received from the independent merchants. It grieves me to see them being ground between the upper and the nether millstones of farmers who cannot pay their debts and creditors who insist on payment.

"The creditor class in Canada will have to extend to the independent merchants of Western Canada the same generous co-operation that has already been extended to the farmers.

"The new Farmer-Labor party and other Socialist organizations in Western Canada are making no appeal to the farmers at all. They are gaining some support from these discontented small town business men. A little consideration from the larger business interests would save these men as supporters of less radical views."

On the other hand, western wholesalers aver that they are extending consideration to the limit of their ability. One wholesale house says it is really doing the banking for hundreds of retail stores.

Not Looking For Higher Wheat

The outlook for wheat prices is not held by many in the west to be encouraging. It is generally realized that the statistical position of the world wheat in the world is not of primary importance now. There is a large surplus of wheat visible and apparent but it is believed that this surplus would melt away if a normal demand set in. Thus wheat prices depend on world recovery. Solve the general economic problems of the world and wheat will look after itself. That is the west's view.

The vision of dollar wheat has faded entirely from the imagination of the western farmer. If they had no debts western farmers would be prepared to tackle the job of making a living, but necessarily a bare living out of 50 cent wheat. After all it is not the absolute price of wheat but its relative price that determines the impact of prices upon western prosperity. And this relative price must be considered in two different lights.

First there is the price in relation to the costs of production. Assuming equilibrium in prices and costs, it makes no difference to the farmer whether wheat is 50 cents or a dollar.

Second, there is the price in relation to the farmers' debts. These debts were established at a time when wheat values were much higher and they cannot be met on 50 cent wheat. But there is a common agreement in the west to consider the matter of readjusting the farmers' debts as something for the future, not to be rushed into until prices stabilize to some extent.

One western economist thinks the price of wheat in coming years will stabilize somewhere around 85 cents a bushel. He bases his calculation on a 500 year record. After the 30 years war in Germany and after the Napoleonic wars in Europe, wheat, which skyrocketed in these periods, came back to just about where it had started before the upswing. If it does the same thing again the average price of wheat over the next generation, this economist thinks, will be somewhere around 85 cents.

Automobile Finance Gains in October

Total number of cars financed was 4,357 in October, 5,018 in September, and 6,435 in October, 1931; and the amount involved was $1,580,935 in October, $1,896,507 in September and $2,662,144 in October, 1931.

New cars financed were 1,253 in October, 1,499 in September and 1,891 in October, 1931; while used cars financed were 3,104 in October, 3,519 in September and 4,544 in October, 1931.

Financing of new cars amounted to $718,088 in October, $938,254 in September, and $1,324,452 in October, 1931. Financing of used cars amounted to $862,847 in October, $958,253 in September, and $1,337,692 in October, 1931.

St. Hyacinthe Retail Trade Topped $4,000,000 Mark

There were 198 retail stores in St. Hyacinthe, Quebec, in 1930 with 462 employees, payroll $402,300 and sales of $4,263,200. There were 52 service establishments with 82 employees, payroll $65,600 and receipts $215,800. The food group had 72 stores with 89 employees, payroll $57,500 and sales of $830.600. The automotive group had sales of $774,900.

The 7 hotels reported 172 guest rooms, 61 employees, payroll $37,068 and $215,909 receipts. Census population 13,448.

SOUTHERN CANADA POWER EARNINGS NEAR 1931 LEVELS

Deficit of $11,180 After All Charges, Including Dividends

From Our Own Correspondent

MONTREAL.—Consolidated financial statement of Southern Canada Power Co. for the year ended September 30, 1932, is featured by a decline in bank advances and elimination of a call loan of $126,345, which is offset by an increase in preferred stock outstanding; a small deficit charged off against profit and loss account after payment of dividends on the common stock and an increase in the number of communities and customers served.

Gross income during the year amounted to $2,224,444, of which electric revenue contributed 1,999,731 and income from investments $224,713. In the preceding year gross revenue totalled $2,355,111, made up of $2,007,247 from services and $347,864 from investments.

Deficit After Charges

After taking care of prior charges, there remained a balance of $802,906 for dividends on the capital stock. The latter amounted to $814,086 making a deficit of $11,180. In 1931 balance for dividends was $839,064, or $47,292 more than required.

Particulars of the income account follow:

Gross income	2,224,444	2,355,111
Less:		
Expenses	822,230	918,038
Interest	374,638	360,149
Bad debts	2,225	2,350
Depreciation	222,445	235,510
Balance	802,906	839,064
Less:		
Pref. divids.	425,302	402,988
Com. divids.	388,784	388,784
Surplus	*11,180	47,292
Brt. forward	**453,875	419,283
Carried forward	442,695	466,575

*Deficit. **Adjusted.

Reduce Bank Advances

Several changes have taken place in the balance sheet. Bank advances have been reduced from $293,390 to $214,497. while a call loan of $126,390 shown in the 1931 report has been eliminated. The presence of these bank advances in the report is explained by the fact that the company has to meet its bond interest on October 1.

Accounts payable show an increase of $75,000 to $398,978. Other changes among current liabilities are of minor importance.

Sold Preferred Stock

During the year the company sold preferred stock to its customers resulting in a net increase in the value of shares outstanding from $6.759,700 to $7,088,900, or the equivalent of 3,292 new shares.

Among the assets plant investment has been increased from $20,777,248 to $20,946,591. Cash on hand and in bank, which is largely offset by bank advances to take care of October 1 interest charges, has increased from $181.526 to $228.125.

Status of Investments

Investments in and advances to associated companies have been taken in the books at cost, being shown at $1,275.364 as compared with $1,162,686 a year ago.

Other investments are carried on the books at $2,608,568, a decline from $2,746,119 reported on September 30, 1931. Some $181,731 was transferred from the depreciation reserve to write down the value of "other investments," which had a market value at the end of the fiscal year of $1,011,874. At the close of business on September 30, 1931, these investments had a depreciated market value of $1.070,405.

Newfoundland Considers Fish Meal Manufacture

The council of the Newfoundland Board of Trade has been considering proposals to manufacture fish meal on the island so that quantities of fish now wasted could be conserved. Dr. Harold Thompson of the Fishery Research Laboratory has submitted some ideas on the subject to the council.

Dr. Thompson says one of the chief difficulties is that the fish must be collected. This means that to keep it in good condition it must be preserved until called for. This must be done by use of drying sheds and by removing the moisture from such sheds. Dr. Thompson says that many sheds are already erected on the island so that this would not be a heavy expense, and that further experiments will be carried on next season.

Moose Jaw Retail Trade Topped $9,000,000 Mark

There were 275 retail stores in Moose Jaw in 1930, with 1.009 employees, payroll $1,174,300 and sales $9,014,800. There were 106 service establishments, with staff of 291, payroll $290,200 and receipts $824,700. The food group had 106 stores with sales of $1,884,300, general merchandise group 5 stores with sales of $1,868,500. Five automobile dealers had sales of $746,800. Receipts of the 12 establishments in the restaurant group were $344,200. Of the 275 retail stores 225 were single store independents.

The 15 hotels had reported 685 guest rooms, 101 employees, payroll $65,171 and receipts $298,555. Census population 21,299.

Oshawa Has 268 Stores With Sales of $7,671,000

There were 268 retail stores in Oshawa in 1930, with sales of $7,671,100, 865 employees, payroll $886,900. There were 104 service establishments with $682,300 receipts, 175 employees, payroll $174,200. The food group had 89 establishments with 247 employees, payroll $238,600 and sales $2,493,300.

The automotive group was second with 31 establishments, 122 employees, payroll $145,300 and sales of $1,538,400. Of the 268 retail stores, 213 were single store independents. The census population is 23,439.

May Link Newfoundland With Boston Air Route

Pan-American Airways has placed a proposal before the Government of Newfoundland to link the island to Boston by air via Halifax. If the proposals are entertained the service is to be inaugurated in the spring of 1933.

An official of the airways company has been in Newfoundland gathering data as to possibilities of establishing suitable landing places at Corner Brook, Grand Falls, Botwood, Norris Arm and Gambo on the railway and at several points on the south coast.

Silver Anniversary Messages

THE GRAPHIC,
Campbellton, N.B.

"The Financial Post, recognized as one of Canada's leading authorities on business matters, has just celebrated its silver anniversary by publishing a special edition in which are reproduced the messages of 65 of the leading business men of Canada. The quotations represent a typical cross-section of opinion in all branches of the business world—banking, politics, railroading, stock trading, manufacturing, merchandising, mining, industrial development and finance. While the tenor of the great proportion of these pronouncements is optimistic, the careful reader cannot fail to observe the wide divergence of views that this valuable collection of opinions represents, while many admit their inability to forecast the future in any respect. The self-confessed utter inability of Mr. Montagu Norman, governor of the Bank of England to look beyond the present chaotic conditions is apparently shared by business men everywhere."

THE HERALD,
Lethbridge, Alta.

"The Financial Post of Toronto has recently celebrated its 25th anniversary. During a quarter of a century this financial publication built up a fine reputation throughout the Dominion, and its many friends will look for it to go forward to its golden jubilee in another 25 years, showing a steady progress along with the rest of Canada."

THE PACKET & TIMES
Orillia, Ont.

"The Financial Post celebrated its twenty-fifth anniversary with a special number last month. The Post is one of nearly thirty publications, all of them brought into existence through the enterprise of Col. J. B. Maclean. Its standing is evidenced by the tributes paid by a number of the leaders in the commercial world. A feature of the anniversary issue is an article by the veteran founder himself, who at upwards of seventy is still going strong. Col. Maclean reveals that he originally founded The Financial Post on the strength of his belief in its first editor, Stewart F. Houston, whom he credits with having a greater measure of character, ability and leadership than any man he knew. His belief in Houston's fitness for the undertaking proved well founded, and The Financial Post won confidence from the start. Its present editor is Floyd S. Chalmers, who got most of his schooling in Orillia."

THE CHRONICLE-TELEGRAPH,
Quebec, P.Q.

"Hon. Honore Mercier celebrated the silver anniversary of his entry into public life a couple of days ago and the event was marked by his friends in fitting manner. It is not only men who have anniversaries: they are also had by organizations, enterprises, institutions and even things. Thus The Financial Post of Toronto, which is probably the representative Canadian financial review recently celebrated the silver anniversary of its foundation; doing so, like most publications, by the issue of a special historical edition. And its friends have hastened to take note of the occasion by messages of good wishes and by well-deserved tributes to the merit of the special number just mentioned

"A publication such as The Financial Post has its own distinct field and within it renders a useful necessary service. The Post maintains a high standard in this connection which makes it an authority that is generally recognized and widely consulted.

"The Chronicle-Telegraph willingly congratulates both publisher and publication upon a most creditable achievement, wishing them long life and continued prosperity in the future."

THE MERCURY,
Renfrew, Ont.

"The Financial Post, published in Toronto, has now been a going concern for a period of 25 years, with the standard never higher and with prospects for the future the very brightest. The Post is a journal of the safe and sane sort, one doing much to ensure the stability of the Dominion in matters of business and finance. Its answers to enquiries relative to stocks no doubt save many a man and woman from getting into financial difficulties. The special edition of 36 pages issued to mark the silver jubilee is one such as would be expected of The Post."

Majority Montreal Stocks Hold Dividends Unchanged

Analysis Shows 21 Shares Maintain Payments During Year Out of Total of 38 Dividend Payers at Beginning of 1932

From Our Own Correspondent

MONTREAL.—Dividend payments on common shares, exclusive of bank stocks, listed on the Montreal Stock Exchange have been relatively well maintained during the current year. Of 39 stocks which were paying dividends at the beginning of the year no less than 21 continued to make disbursements at the rate in force when 1932 started, though in some cases the rate was lower than in the previous period.

Of the remainder, dividends were reduced to seven stocks and dividends were dropped altogether on the balance of 11 stocks. Accordingly there are still 27 listed common stocks making distributions to shareholders though this number may be diminished within the next month or two.

Two Initiate Dividends

Noteworthy was initiation of payments on two common stocks. Payments were resumed on the common shares of St. Lawrence Flour Mills after a lapse of seven years, and declaration of a dividend on the class "A" stock of Atlantic Sugar Refineries marks the fisrt payment on these shares since the reorganization of that company's capital structure.

The list of the favored 20 stocks which have been able to maintain payments without change during the year contains the names of some of the best known industrial and utility companies. Of the total Canadian Bronze; Dominion Glass and Penman's dividends show reductions from 1931 levels but the companies have been able to maintain payments at the rate established when dividends were reduced. McColl-Frontenac Oil is the youngest dividend payer in the list and has been able to keep up its original rate of disbursement since payments were started in 1929.

No Change on These

Following are common stocks on which no change has been witnessed in dividends during the current year:

B C. Power
Calgary Power
Can. Gen. Electric
Jamaica Public Service
McColl-Frontenac
Montreal Cottons
Montreal Power
Montreal Telegraphs
Montreal Tramways
National Breweries
Ogilvie Flour Mills
Ottawa Power
Penmans
Dominion Textile
Southern Canada Power
Steel of Canada
Dominion Glass
Canadian Bronze
Canadian Converters
Hollinger
Mont. Loan & Mortgage

Seven Reduce Payments

The seven stocks on which dividends were reduced provide some interesting angles. Bell Telephone on which 8 per cent payments had been made without interruption since 1891 found it necessary to reduce dividends to a 7 per cent rate. Quebec Power and Shawinigan, two of the leading utility stocks in Quebec felt the exigencies of the business situation to such an extent that disbursements were lowered. Charles Gurd, a relative newcomer was able to maintain payments though at a reduced rate, while the cyclical nature of business of Dominion Bridge and National Steel Car found reflection in disbursements on their respective stocks. The only other stock on which payments were reduced was Building Products which has felt the effects of the decline in constructional activity.

Balance Passed Dividends

Of the 11 common stocks which were forced to discard dividends altogether several call for particular comment. C. P. R., which had paid dividends without interruption since 1885, passed the payment ordinarily due in October this year. Payments have been reduced in 1931 but continued declines in earnings precluded a disbursement on the common this fall. Brazilian and Smelters, two of the best known trading mediums on the Montreal Stock Exchange, fell into the list of non-dividend payers this year while railroad equipment, entertainment, construction, dairy and untility stocks are found in the same list.

Following are the shares which have dropped their payments this year: Canadian Car; Canadian Pacific Railway; Consolidated Smelters; Eastern Dairies; Famous Players; C. W. Lindsay; Niagara Wire; Paramount Publix; Power Corp.; Foundation Co.; Brazilian Traction.

St. Lawrence Above Montreal Already is Ocean Highway

Opponents and Advocates of Quick Construction of Seaway Interpret Differently Fact That 150 Ocean Vessels Visited Great Lakes This Season

St. Lawrence Seaway advocates and opponents are somewhat at variance as to the bearing on the project of the ocean and lake traffic which has already developed under present conditions. Dredging companies, construction companies, electrical companies, cement companies and others have a deep interest in all details of the controversy.

Nearly 150 ocean vessels came up to the Great Lakes with cargo during the season of 1932. Of this number 75 were of foreign registry and discharged freight originating in Europe at Canadian or United States inland ports. A great many of these cargoes consisted of wood pulp from Scandinavian countries for consignment to ports in the United States. These latter cargoes lead opponents of the St. Lawrence Seaway to say that completion of it would be mainly of advantage to the United States and permit displacement of Canadian business. They state that construction is inadvisable in view of the facts that the Maritime Provinces already have their outlets on the Atlantic, that Quebec has her outlet to markets of the world in the St. Lawrence during eight months of the year, that Ontario could use that port during the same period through her communications by rail or water, that the Prairie Provinces have an outlet at Churchill and that British Columbia has several ports on the Pacific.

Of the 75 British vessels which came up the St. Lawrence past Montreal a number brought Welsh anthracite coal to Toronto and other Canadian ports. Two oil tankers, the Freshmoor and the Hickorol, delivered cargo to storage tanks inland. The large part of the oil business continued to be done, however, by vessels of Canadian registry.

Those favoring the St. Lawrence Seaway argue that if traffic of this volume has come to pass even with a 14 foot seaway as at present, very much more could be expected with the deepened seaway proposed.

Empire Meat Producers Urge U. K. Import Duties

The Meat Committee of the British Empire Producers' Association has forwarded a resolution to Prime Minister Ramsay MacDonald urging adoption of more effective measures to save the livestock industries of the British and the Dominion farmers than were adopted at the Imperial Economic Conference. It recommends particularly the immediate restriction of imports into Britain of Argentine chilled beef and foreign bacon. The Association states that present measures do not promise to improve the present low prices for meats and bacon.

The resolution expresses satisfaction with the tone of the agreements signed at Ottawa, but regrets that the full policy advocated by the British Empire Producers' Association of an import tariff on foreign meat and bacon, combined with a quantitative regulation, has not so far been adopted. The Producers' Association represents the important meat producers' associations throughout the Empire, and is acting in close concert with the principal United Kingdom organizations of meat producers.

Brazilian Coffee Council Urges Study of Situation

The National Coffee Council of Brazil has presented various suggestions to the Minister of Finance of that country on which to base a study of methods of easing the coffee situation. Some 23,000,000 bags of coffee are still held in the interior of Brazil and for these no market exists.

The study is to consider the following aspects of the problem:

1. Re-establishment of the statistical position by the acquiring of retained stocks in the state of Sao Paulo;
2. Recommence payment on stocks purchased by the National Coffee Council in Sao Paulo;
3. Modify legislation regarding replanting coffee.
4. Study possibilities of destruction of coffee trees, especially those attacked by broca.
5. Prohibit the exportation after July 1 of coffees containing impurities above a fixed percentage.
6. Fix a sacrifice quota for destruction from each future crop.

Medicine Hat Trade at $5,000,000 Mark

There were 140 retail stores in Medicine Hat in 1930 with 441 employees, payroll $498,200 and sales of $4,487,700. There were 66 service establishments with 101 employees, payroll $100,200 and receipts $374,400. The food group had 45 stores with 62 employees, payroll $56,900 and sales of $936,200.

The automotive group had 21 establishments, 93 employees, payroll $121,900 and sales of $1,068,100. Of the 140 retail stores, 126 were single store independents. The census population was 10,300.

Newfoundland Proposes Exchange Wood for Coal

From Our Own Correspondent

MONTREAL.—As a result of negotions undertaken for some time past, it is understood that proposals looking to an exchange of Newfoundland pulpwood in return for coal are being considered. The Government has had the matter under advisement for the past month and discussions are believed to be approaching a tangible basis.

Footnotes to Ottawa

An occasional department of comment on the background of governmental activities in the nation's capital

By Our Ottawa Correspondent.

Provinces, Dominion Get Together

OTTAWA. — With the agenda rapidly taking form and negotiations under way as to the time of meeting, the Federal ministry is vigorously preparing for the Dominion-Provincial conference to be held at Ottawa probably in January.

The projected holiday of Premier Bennett will not handicap Federal preparations for the reason that the main outline of the agenda, as suggested here, has been completed and there remains only the detail preparatory work. Mr. Bennett probably will be back in time to preside over the gathering.

Unemployment Issues

From the Federal point of view the two most important items on the agenda will be unemployment relief and unemployment insurance. The general insurance question, also, will be raised, though there is little hope of a settlement being reached.

The agenda, however, will be greatly increased when the suggestions of the provincial governments have been added. It is expected that when the conference meets there will be an imposing array of questions to be discussed and that foremost among them will be the two phases of unemployment relief, insurance, a delimitation of taxation as between the Dominion and the provinces, and, possibly, the question of increased subsidies.

This will be the third Dominion-Provincial conference to meet at Ottawa in the past five years. There was a similar conference in 1927 and a conference, of lesser magnitude, in 1931.

Previous Conferences

The 1931 conference, called to formulate policy with respect to the Westminster Act, was a complete success. The 1927 conference, however, accomplished very little, spread itself over the complete range of questions in dispute as between the two jurisdictions.

It is of interest to recall the discussions in 1927 because of the rapid change that has taken place in the intervening years. Foremost at that conference was the question of senate reform, now relegated to the limbo of forgotten political issues. Then there was the matter of how to amend the British North America Act. Here a discussion of a full day brought no indication of agreement.

In 1927 a long list of matters in which there was a direct conflict in jurisdiction was brought before the delegates. Water powers were discussed, with the St. Lawrence development clearly in mind, the incorporation of companies, the sale of shares, the Canada Grain Act (then challenged in the courts), the grading of food products, air regulations, Federal aids, and immigration—these were the chief topics of controversy five years ago. Most of them have since vanished into thin air as matters of active dispute.

Wanted Bigger Subsidies

It is notable that unemployment relief and unemployment insurance were both on the 1927 agenda but neither was discusssed beyond a few cursory remarks by one or other of the provincial delegations.

With regard to increased subsidies and the delimitation of taxation fields, there was a full discussion in 1927, and the position then taken by the various delegates is of interest. The provinces demanded larger subsidies or, failing that, increased power to extract revenues by taxation. Except for the Duncan commission increases in subsidies to the Maritime Provinces, the Federal government resisted the demands for larger subsidies.

The late Hon. J. A. Robb summed it all up in a statement which he made toward the end of the conference. He said:

"On the one hand there have been requests by the provinces that the Dominion should increase the amount paid to them in subsidies. There has also been the recommendation that the Dominion should assume certain services now undertaken by certain of the provinces. Broadly speaking, I think it may be said that these services are considered to be unprofitable, in fact liabilities to the provinces and that if the Dominion were to take them over, for the moment at least, their operation would involve an increase in expenditure from the Federal treasury. From the viewpoint of the Dominion it has been submitted that the duty of the Federal authorities is to see that the credit of Canada is maintained both at home and abroad and at the same time to reduce taxation so far as is possible in order that industry may be encouraged. The recommendations of the provinces. therefore, are double-edged. First, there is the demand for increased expenditures by the Dominion and on the other hand a demand that we should withdraw from certain fields of taxation and revenue. Recommendations have been made that subsidies should be increased, that certain expenditures on varied means of transportation should be undertaken, that old age pensions should be at the sole expense of the Dominion government, etc. On the other hand it has been urged that the Dominion should withdraw from the income tax field and other direct taxation sources, that we should reduce customs and excise duties on liquor, etc. I have not made a minute calculation but off-hand would estimate that the varied recommendations involve one hundred millions of dollars annually."

Turned Them Down

The King government turned the provinces down flat. And it is practically certain that the Bennett government will do likewise, in so far as efforts are made to crowd the Dominion out of taxation fields

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Nova Scotia's Problems and Trade Prospects Seen in Review

Problems of Nova Scotia Arising from Depression Faced With Confidence

Recession in Economic Activity Mainly Confined to Coal Mining and Iron and Steel Industries, Though Operations Generally Lower

MAKE CLOSE SURVEY OF COAL MINING

Diversity of Interests and Capital Reserves Enable Province to Meet Changing Conditions With Confidence; Manufacturing and Trade Compare Favorably With Other Ports of Dominion

Nova Scotia was the last of the provinces to feel the pinch of depression. While other areas felt the business recession early in 1930, it was not until the end of the year that the Maritime province recorded any material falling off in economic activity. The past twelve months have witnessed a more general decline in activity, though a survey of the situation shows that the recession has not been as pronounced as elsewhere.

One of the economic maxims of Nova Scotia is that prosperity does not come to it until six months after it has made itself felt in other sections of the Dominion. There is a compensating factor in that the level of business does not fall off until after it is well underway in other parts of the Dominion. Experience of many years has tended to confirm rather than shake this belief.

Factors of Stability

While admitting such to be the case, any survey of business in Nova Scotia must take cognizance of two factors. The first of these is that in its three centuries of settled existence, Nova Scotia has built up a reserve of capital which has seen it through more than one depression. Secondly, there is the diversity of interest and income which has given a measure of stability foreign to the newer settled provinces.

Has Its Problems

Giving full value to these two factors, it is to be said that Nova Scotia has not been as hard hit as the other provinces. At the same time the province has the problem of unemployment though not of as great a magnitude as found in Ontario, Quebec or other provinces.

Cape Breton has been harder hit by the depression than any other district in Nova Scotia. The livelihood of the people in that area comes largely from coal mining and iron and steel manufacturing—two industries that are particularly susceptible to business conditions. The lack of demand for the products of these two industries has slowed down operations to a point where unemployment is general. The provincial government and other interested organizations have undertaken various measures of relief, all of which have been of value. The situation is still far from being on a normal basis, but no efforts are being spared to see that activity in the Cape Breton area is put on a more sustained basis.

Investigate Coal Mining

During the current year an investigation of coal mining was undertaken. The situation in this industry is not all that could be desired and a survey of the situation was necessary in order to determine upon changes necessary to place the industry upon a sounder footing.

A Royal Commission, of three members, headed by Sir Andrew Rae Duncan, and including Rev. H. P. MacPherson and Prof. John W. MacMillan, made an exhaustive investigation of the coal mines of the province. In its report to the Government, the commission submitted that the rehabilitation of the industry could be effected through the closing down of several mines, resulting in the displacement of 2,500 men. It is estimated that when the proposals are in full effect within the next six years they will mean a saving of about 60 cents a ton on the output. Had these plans been in effect today, the commissioners believe, a market for another 1,000,000 tons would have been available now, even without a wage adjustment.

Wage Adjustment Necessary

As regards wage reductions, the commission found that Dominion Steel and Coal would have been justified in seeking a wage adjustment at the beginning of 1931. Under the terms of the two year agreement they had carried on until 1932 at the expense of working capital. Although the commission expressed no view on what a fair minimum wage should be, it was unable to agree with the proposals set forth by the mine operators and recommended only a 10 per cent cut on all adult workers' wages, with a minimum of $3.25. Savings from the wage adjustment, it was pointed out, were vitally important from the point of view of immediate financial stability, while the savings which operators hoped to achieve from the re-allocation of areas and concentration of output were equally important to them.

Displacement of employees in an effort to reduce costs, which have increased by 55 cents a ton since 1926, raises a problem and a plan of reversion of some miners to the land is advocated, while it is pointed out that in certain other branches of mining, employment is expanding. The only possible result of colliery operations attempting to maintain themselves on the basis of excessive labor force and capacity must be collapse, the report stated.

Exchange Situation Important

The exchange situation plays an important part in the business life of Nova Scotia. Much of the province's production is for export. The premium on Canadian funds in relation to the English pound sterling and foreign currencies, has made it difficult for Nova Scotia producers to conduct export trade without loss. This situation applies with particular force to the forestry, fishing and fruit growing industries, all of which are largely dependent upon foreign markets for the disposal of their products.

Lumber operations have not shown any abnormal decline. The drop in output, amounting to a little over 20 per cent last year, is regarded as a satisfactory showing in comparison with that reported by other areas. Capital returns, however, have been negligible; in fact, losses have been common. Lumbermen, generally, have been content to hold their organizations together. Many of the smaller operators have not even been able to do this and operations are tending to concentrate more and more in the hands of the larger and financially stronger companies.

One branch of the forestry industry that has been able to hold its own is pulp and paper manufacturing. The recent establishment of a newsprint mill has provided a large market for pulpwood. This has tended to offset the declining demand from the United States for pulp and pulpwood.

Fisheries Hard Hit

For more than two years fishery operations have been on the downward path. The price paid to the fishermen has dropped to such a low point that many have been forced to look elsewhere for a livelihood. In other years Nova Scotia fish found a ready market in the West Indies, Mediterranean countries and elsewhere. With depreciated currency, these markets have not been able to pay the relatively high price asked for the Nova Scotia product, so that trade has been diverted to Newfoundland, English and continental fishermen.

Agriculture, on the whole, has been able to maintain its position. Production does not more than cover domestic needs, so that the vagaries of export or inter-provincial trade have had little effect on operations.

Fruit Growers Problem

There is one branch of agriculture, namely, fruit raising, which is faced with many problems. In the Annapolis Valley, Nova Scotia produces over 1,000,000 barrels of apples per annum. This is obviously greatly beyond the needs of the local market and nearly 90 per cent of the production is marketed in England. Though competition in that market is keen the province has usually been able to market its apple crop with little trouble. The drop in the value of English currency, however, has forced the fruit grower to take a smaller return on his pack. With the pound sterling at a discount of nearly 23 per cent, the decline in purchasing power of the Annapolis Valley apple grower is only too apparent.

Industry Holding Own

Manufacturing is relatively good, with the exception of the iron and steel operations in the Cape Breton area. Sugar and oil refining; wool and textile; newsprint; butter and cheese; and other manufacturing operations are, as a group, not as high as a year ago, but compared with the rest of the Dominion, are somewhat more active.

Wholesale and retail trade this year has been spotty. A good demand has existed for few products. The decline in purchasing power and the slowing up of industrial operations have all tended to cut down on buying. Stocks have been kept to a minimum. The decline in trading has not been as great as one might expect in view of the depressed conditions in certain lines of activity.

Tourist Trade Valuable

The manner in which the tourist traffic has held up this year has played no small part in maintaining business. Through co-ordinated and well directed efforts of the provincial government, the attractions of the province have been ably presented to the travelling public in the United States and other parts of Canada. Highways have been improved, excellent hotel accommodation provided, and other steps taken to make the visitors' stay enjoyable.

Throughout its long history, Nova Scotia has gone through many readjustments. Changing times and changing conditions have made necessary new methods. At present, however, the province is in a position to tackle such problems as confront it. The finances of the government are satisfactory and the province has no capital obligations to care for in the immediate future.

Apple Growers Win Prizes

Nova Scotia apple growers have been conspicuous among the prize winners at the Imperial Fruit Show at Birmingham, England, according to official advices. E. W. Duncanson, of Gaspereau, won first prize for Cox's Orange Pippins; K. E. Borden, of Wolfville, took first for Kings and W. A. Eaton, of Grantville Centre, took first in Golden Russets.

Many Hoops for Apple Barrels

The apple industry in the Annapolis Valley uses about 10,000,000 hoops annually based on 1,500,000 barrels a year. These hoops are priced at $9 per thousand so that the whole amount expended on them totals $90,000. The greater part of these hoops are now produced in Nova Scotia.

Scotia Farmers Spend $6,589,740

Nova Scotia farmers expended $6,589,740 in farm operations in 1930, according to a survey prepared by the Dominion Bureau of Statistics. Feed was the largest item of expenditure, amounting to $2,782,420, or an average of $97.88 per farm reporting.

Labor, representing cash and board, cost Nova Scotia farmers $2,460,200 in 1930. This represents an average of $223.83 per farm reporting. Nearly $100,000 was spent on light and power, while $368,120 represented the cost of seed purchased. Fertilizer is a large item of expense for the Nova Scotian farmer, $879,540 being the outlay on this item in 1930.

MARITIMES MOVE AGAIN ON RATE CASE

Want Representation on Trustee Board of C.N.R.

M. F. R. A. BENEFITS

Freight Rate on Grains Still a Contentious Point in Eastern Railway Demands

Demand for representation on the board of trustees for the Canadian National Railways marks another move in the fight of Nova Scotia and the Maritimes generally for what they regard as more equitable treatment on the matter of railway transportation. The Duff Commission recommended a trustee board of only three members, but this is not sufficient to give representation to all interests and the movement in favor of a board of five members is growing in strength in the East.

Railway transportation and costs have been a matter of vital importance to the Maritimes for many years past. In an able investigation of the whole Maritime economic situation, Sir Andrew Rae Duncan pointed out that the Atlantic coast area was handicapped by high rates and an immediate reduction of 20 per cent was recommended.

Act Provides Reduction

The Federal Government, in implementing this report, passed the Maritime Freight Rates Act covering a reduction of 20 per cent of the rates existing July 1, 1927, on local traffic between points within the Maritime Provinces; on the "eastern lines" proportion of the through rate on freight shipped from Maritime points to points west of Diamond Junction; on export rates on traffic originating in the Maritimes and exported through Halifax or Saint John; but not on import rates on traffic destined to Maritime points via Halifax or Saint John.

The primary reason for this reduction, according to D. R. Turnbull, who headed the Maritime Transportation Commission allied with the Maritime Board of Trade, was the fact that the government railway had been made 250 miles longer than was otherwise necessary for military and strategic reasons thus imposing a burden upon shippers by reason of the additional length of haul.

Act is Extended

These features of the act were required by the Duncan Report and also the compensation of the government railways for rate reductions. The Duncan Report also recommended equitable consideration for other railways that would be affected — principally the Canadian Pacific Railway. The act went farther than the Duncan Report contemplated by paying the entire operating losses of the Eastern Lines of the Canadian National Railways as well as the reductions in the rates of the Canadian National and "all other railway lines in the Maritime Provinces."

Railways Share Larger

An analysis of these subsidies to the railways in the period 1927-31, prepared by Mr. Turnbull, shows that the total amount paid as recommended in the Duncan Report was $9,646,000, while amounts totalling $24,117,000 that were not recommended in the Duncan Report were paid to the railways. The total amount of rate reductions was $13,634,000, made up of $9,646,000 as above to the Canadian National and $3,188,000 to other lines not provided for in the Duncan Report.

Thus it is claimed that the railways benefitted to a much greater extent than did the shippers of the Maritime Provinces. If only the recommendations of the Duncan Report had been carried out, the amount received by the railway companies would have been $9,646,000 instead of $33,763,000.

Grain for Export

The pivotal point of interest in the Maritime freight rate claims has centred around the question of grain for export through the ports of Halifax and Saint John. Facilities have been provided at those points for the handling of a large volume of grain, but the movement through Halifax and Saint John has been relatively small in comparison with the capacity of the facilities

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Nova Scotia Offers Rich Market for Farm Appliances

Mechanization of farms, which has been one of the notable features of rural life over the past decade, has not been as pronounced in Nova Scotia as elsewhere in the Dominion. In a survey of the province conducted last year by the Dominion Bureau of Statistics, it ws shown that while automobiles, tractors, cream separators and other mechanical products were in general use, there still existed a wide market for such products.

Of all the farms in Nova Scotia, numbering 39,444, one in every 3.83 has an automobile, but only one in every 23 has a motor truck. Only one farm in 94 has a tractor. Milking machines are more popular, every other farm in Nova Scotia having one. There are no combines or headers in the province, but one in every 19 farms has a binder.

Radio in Widespread Use

In the matter of farm facilities, the Nova Scotian farmer fares as well as his brethern in the other provinces. One out of every 10.5 farms is equipped with gas or electric light; one in every 8.60 farms has a radio; while one in every 3.5 farms has a telephone. One in every 9.60 farms has water piped into the kitchen, but only one in 23 have water piped in the bathroom.

From the following tabular matter it will be seen that a rich market exists in Nova Scotia for a number of different types of farm machinery, while the introduction of facilities for the farm home is still capable of expansion. It should be noted in examining these figures that there are 39,444 farms in the province. Not all have made reports, as will be seen from the table:

FARM MACHINERY

10,297	Automobiles	to	9,982	Farms Reporting
269	Motor trucks	"	356	" "
176	Tractors	"	169	" "
4,193	Gasoline engines	"	8,641	" "
2,062	Binders	"	2,102	" "
838	Threshing machines	"	837	" "
19,392	Cream separators	"	19,849	" "
41	Milking machines	"	41	" "
277	Silos	"	260	" "
429	Electric motors	to	355	" "

FARM FACILITIES

Gas or electric light	3,760 farms
Radios	4,770 farms
Telephones	10,266 farms
Water piped in kitchen	4,047 farms
Water piped in bathroom	1,689 farms

Scotia's Economic Wealth Rests Upon Foundation Rich and Varied Minerals

Nearly Quarter Billion Tons of Coal Mined

MILLIONS INVESTED

Gypsum, Gold, Salt and Structural Materials Add to Province's Income

Of the varied natural resources with which Nova Scotia has been generously endowed its mineral wealth stands in the front rank. The province has been the largest producer of bituminous coal in the Dominion for many years; its mines were famous a century before Confederation. Though its mineral resources cover a wide range it is coal which stands pre-eminent in mining operations in Nova Scotia.

Difficulties of the past year have not been without their effect on coal mining in the province. Restricted activity in steel plants which have been established adjacent to the great collieries caused a lower demand for coal though as a whole the industry had a comparatively fair year in 1931. Last year the province produced 4,745,005 tons of coal. This compared with 5,754,502 tons in the previous year and represented a decline of 1,009,497 tons.

Mining for 150 Years

In the past 150 years Nova Scotia mines have sold nearly 207,000,000 tons of coal. Provincial records date back to 1785 in which year sales were 1,668 tons; in 1931 total sales amounted to 4,315,429 tons. In 1913 a record was created which still stands, in that year sales amounted to 6,478,709 tons.

Despite this vast production reserves are estimated at 9,631,106,000 tons. Of this amount 7,530,817,000 tons is estimated as probable reserve; the balance is actual reserve.

Second in Importance

Nova Scotia's mineral production ranks fifth in economic importance in the Dominion while mining is the second largest industry in the province from the point of view of value of production. Coal is the greatest factor; the Sydney coal fields in Cape Breton are among the most highly developed and among the greatest potential coal areas in the world. Actually the thickest coal seam mined in the world is located near Stellarton. Coal reserves of Nova Scotia are estimated at ten billion tons, second only to Alberta as a potential source of coal supply in Canada.

Of prime importance to the industry was the finding of the Duncan Commission appointed to investigate the coal problem in Nova Scotia early this year. The commission's report was made public in February and threw much light on conditions surrounding colliery operations. It dealt extensively with mining methods, costs and employment; of paramount interest was its recommendation that wages be reduced by 10 per cent.

Want Bigger Markets

But the main difficulty of the Nova Scotia industry is the securing of bigger markets. Despite large coal deposits additional inroads continue to be made into the Canadian market by importation of coal from foreign countries. In his report for 1931, Gordon S. Harrington, Minister of Public Works and Mines, stated that it was his confident hope that the public would awaken to the necessity of a National Fuel Policy through which Canadian coal might be more extensively used by Canadian people. Such a development, it was felt, would mean much in the way of advancement for the coal industry of Nova Scotia.

In this respect, however, the Dominion Government extended some aid to Canadian coal producers early in 1932. In May a new order-in-council was passed which provided that the government would pay any difference between the cost of United States and Canadian coal up to $1 per ton in order to encourage the greater use of domestic coal in the manufacture of coke or gas. This grant has been responsible for stimulating shipments of Nova Scotia coal to Quebec and Ontario markets though its effects are not sufficient to find a definite reflection in mining activity.

Within itself, however, the coal industry has made great strides in improving its efficiency. Electrification of leading mines has been carried out in recent years making for lower costs and better working conditions. Despite this the Duncan Commission showed that costs must be reduced still lower if the industry is to compete with foreign importations.

Produce Other Minerals

Mineral production other than coal also showed a decline last year.

The decrease was uniform, however, and represented market and industrial conditions and not unsoundness in the mining industry of the province. In certain branches there was improved output, notably in production of diatomite and some branches of the ceramic industry. A consolidation of financial interests behind the development of diatomaceous earth deposits in Cumberland and Digby Counties was effected in 1931 with the result that both plants are now working and catering to American markets. There were 1,012 tons of diatomaceous earth mined last year compared with 314, tons in 1930.

Gypsum Ranks High

Gypsum mining has held an important place in the province's mineral operations for many years. Due to the decline in constructional activity production of gypsum has reflected the lower demand for building material made from gypsum. Production in Nova Scotia dropped from 863,134 tons in 1930 to 754.083 tons last year. Output of calcined gypsum last year was 9,954 tons compared with 10,258 tons in the previous year.

The largest producer is located at Windsor in Hants County and operates two main quarries. Other gypsum operations are conducted at Cheticamp, Mabou Baddeck and Cheverie. Much of the raw crude

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Gold Mining Has Long Life In Nova Scotia

Gold production in Nova Scotia in the year ended September 30, 1931, amounted to 575, ounces which compared with 2,340 ounces recovered in the previous year. Output last year was recovered from crushing 2,954 tons of ore and was valued at $11,500 compared with 5,328 tons yielding $46,810 in the previous year.

Average value of ore mined in the province during the year was as high as that of the previous year with the exception of a large tonnage of old dump crushed in a certain locality during the summer months.

Three Major Producers

Three properties accounted for the greater part of gold produced during the year though recoveries were reported from 8 different properties. Beaver Dam with an output of 152 ounces was the leader, followed by Montague district with 130 ounces and while the Renfrew district produced 104 ounces of gold.

The manner in which production has varied is shown in the following table, setting forth production every fourth year between 1862 and 1931:

Year	Material Crushed Tons	Gold Recovered Oz.
1862	6,641	7,275
1866	30,963	24,162
1870	30,502	19,866
1874	13,844	9,140
1878	17,990	12,577
1882	21,081	14,107
1885	28,890	22,203
1889	39,160	26,155
1894	39,333	14,980
1898	86,451	31,112
1902	102,076	28,279
1906	65,278	14,079
1910	49,558	10,675
1914	13,156	3,153
1918	1,630	1,279
1921	1,650	378
1925	7,749½	1,526
1929	8,368	1,568
1930	5,328½	2,340
1931	2,954	574

HALIFAX PORT HOPES TO GET WHEAT TRADE

Harbor Officials Expect Record Shipments This Winter

ACTIVITY AT PEAK

New Equipment Takes Care of Larger Flow of Grain With Ease

Grain handling facilities at the Port of Halifax are expected to be taxed to their utmost this winter, according to those in close touch with the harbor's activities. Grain coming down from Georgian Bay ports in increasing quantities and corn from South Africa being handled inbound is expected to make the busiest season that the port has known for years.

Included in the shipments by water from the Central Canadian depots are both wheat and coarser products destined for domestic and overseas markets, while the corn cargoes are destined for consumption in the Maritimes. Importance is seen in the fact that increased rail movement out of Halifax is indicated with resultant rail revenue and employment.

Cruises Stimulate Traffic

Activity in Halifax during the summer months has been tremendously stimulated by the innovation of short cruises by large liners out of New York. In recent years these cruises have made Halifax their leading port of call; in 1931 some 22,000 passengers were brought to Halifax in this way. Traffic in the port showed an increase of around 300 per cent over the previous year.

Decision to establish Halifax as a port of call in these cruises is a tribute to the facilities offered by the port. Not only have the largest liners docked there without any difficulty but they have repeated their visits and are planning similar cruises on a wide scale for next year.

Grain from Lake Head

One of the most interesting phases of the port's activities took place this summer when a vessel from the Head of the Lakes docked there with a full cargo of grain. Though this was not the first time grain had been shipped down from Fort William by the water route to Halifax, it marked the first arrival of a full cargo of grain from the Lake Head. Bulk of the consignment was marketed locally and the balance has been shipped on to West Indian and Newfoundalnd destinations.

Some 12,000 bushels of wheat and 90,000 bushels of oats were included in the shipment. Handling facilities were adequate and unloading was carried out at the rate of 8,000 bushels an hour with the aid of the new marine tower.

Installation of the marine tower has been one of the more important additions made to port facilities in recent years. Construction was completed about a year ago and by the speeding up effected a saving of some 5 cents a bushel has been made in handling charges.

In addition to docking and grain handling facilities the port has a well equipped marine railway and slip where a modern repair plant is operated by the Halifax Shipyards Ltd. This company also operates the drydock which has a length of 560 feet and is capable of handling large vessels. One of the largest jobs undertaken in the Halifax Shipyards was the repair work on one of the Canadian National steamships of the "Prince" class which grounded off Bermuda last year. Cost of repairs was estimated at around $500,000.

Another substantial order on hand is the contract for repairing the British hydrographic survey ship Challenger which was escorted to Halifax after grounding on the Labrador coast. It is estimated that the job will take some months to complete and a substantial number of workers will be given employment.

Highway Costs Near $2,000,000

Nearly $2,000,000 was spent by Nova Scotia in the past year on the maintenance and construction of highways throughout the province.

Regular construction programme on the highways involved a capital outlay of $1,208,987, which was slightly more than one-third of the sum authorized last season on the suggested Three-Year Programme. In addition there were some capital expenditures for bridges, culverts, gravel pits and ferry boats.

During the year reconstruction work was done on 1,050 miles of highway, of which 692 miles were surfaced.

INDUSTRIAL OUTPUT OVER $85,000,000

Nova Scotia Industries Now Total Over $130,000,000

IRON AND STEEL LEAD

Halifax Takes Precedence as Province's Leading Manufacturing Centre

Over $130,000,000 of capital is invested in Nova Scotia's manufacturing establishments, while the value of production exceeds $85,000,000, according to a survey prepared by the Dominion Bureau of Statistics covering 1930.

In the many years since it was first colonized, industrial activities in the province have slowly spread. Distance from the principal Canadian markets has tended to hold down development in certain directions, but other advantages have enabled Nova Scotia to build up manufactures comparing favorably in size with those found elsewhere in the Dominion.

Due to its tide-water location Nova Scotia is particularly suited for the location of certain types of manufacture, while its resources have attracted millions of capital. In the former category are found such industries as oil refining and sugar refining, and in the latter coal mining, iron and steel production, pulp and paper making, lumbering and water powers.

This wide diversity of industrial operations has made for a degree of stability in operations which has stood the province in good stead during periods of depression.

In its most recent survey of in-

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CANADA ELECTRIC CO.
LIMITED

Low Cost Power
associated with
Cheap Transportation
Good Living Conditions
Ample Supply of Intelligent Labor

AMHERST - - - Nova Scotia

Serving Nova Scotia

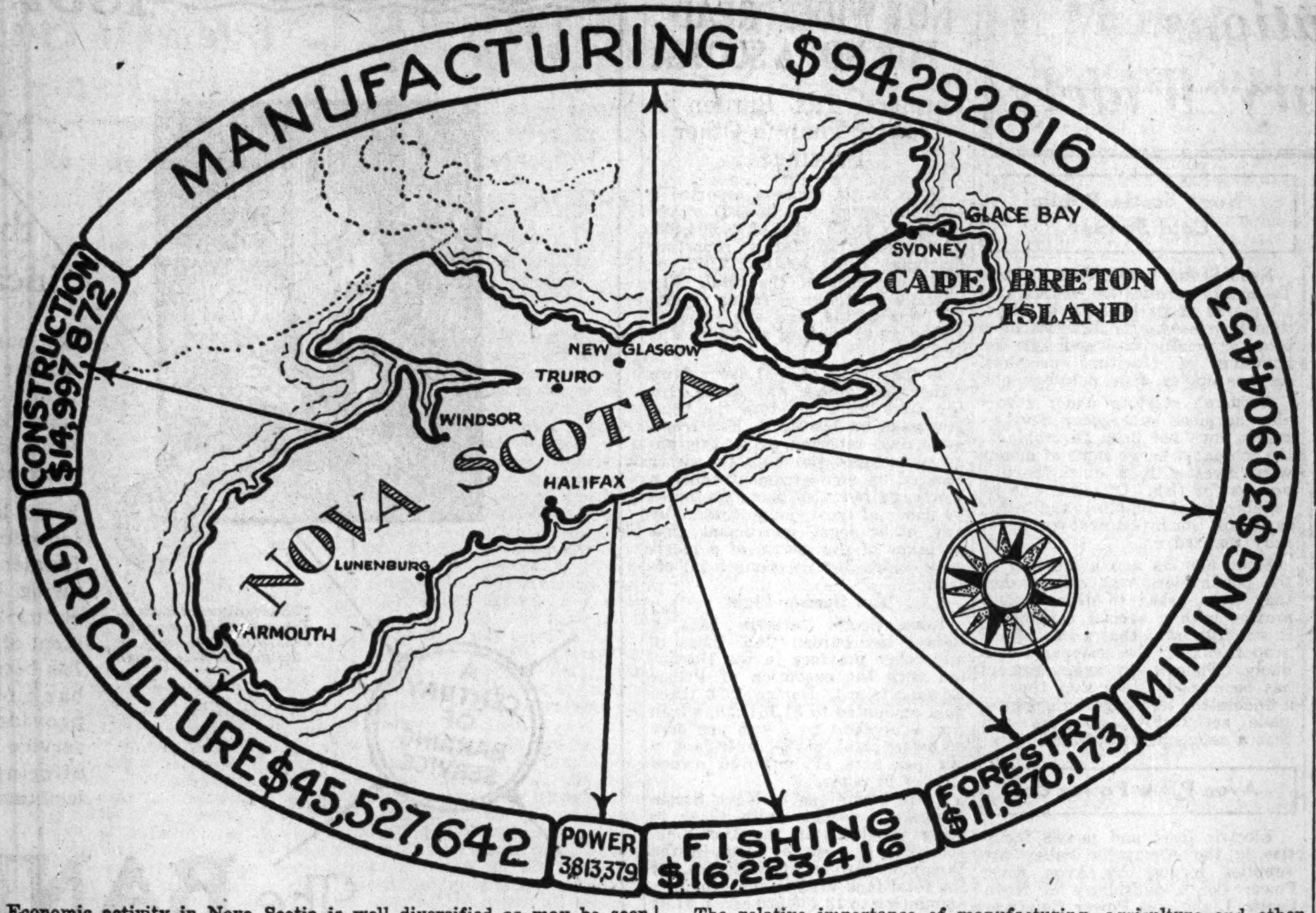
THIS Company serves the City of Halifax with electric energy, tramway transportation and gas; and, through subsidiaries, supplies electricity at retail to Dartmouth and Bedford in Halifax County; to Springhill, Springhill Junction, Oxford, River Philip and Collingwood in Cumberland County; to Stewiacke and Brookfield in Colchester County; to Chester in Lunenburg County; to the Barringtons and Clarke's Harbour in Shelbourne County; to the Pubnicos in Yarmouth County; to Windsor and Shubenacadie in Hants County; to Middleton in Annapolis County; and either at retail or at wholesale to the Towns of Kings County, together with the territory contiguous to the places mentioned.

Owned, managed and operated almost entirely by Nova Scotians, these affiliated companies are contributing in no small measure to the progress and prosperity of the Province.

Nova Scotia Light & Power Company, Limited
HALIFAX, N. S.

Sackville River Electric Co. Ltd.
Avon River Power Company, Limited.
Barrington Electric Company, Ltd.
Oxford Electric Light and Pr. Co. Ltd.
Chester Light and Power Co., Ltd.
Edison Electric Light and Pr. Co. Ltd.
Dartmouth Gas, Electric Light, Heating and Power Company, Limited.

Nova Scotia Boasts Diversified Economic Life



Economic activity in Nova Scotia is well diversified as may be seen from the following chart prepared by The Financial Post.

The relative importance of manufacturing, agriculture and other types of economic activity with the dollar value of productivity of each in 1930, is shown above.

INDUSTRIAL NOVA SCOTIA HOLDING OWN

Cape Breton Situation is Worst in the Province

SEE GOOD FEATURES

Importers of Raw Materials Doing Well — Exporters Are Handicapped by Exchange

Industrial conditions in Nova Scotia at present are an admixture of good and bad. In certain directions operations are being maintained at a relatively high level considering general business conditions, but in other directions the situation is far from being satisfactory.

Probably the worst feature of Nova Scotia industrial life at present is to be seen in the coal mining and iron and steel industries. These two industries are interlocked to a large degree, coal mining especially being dependent upon operations in the iron and steel mills in the Cape Breton region.

Attempt to Help

Efforts have been made by the government and other interested parties to bring about a resumption of activity in the Sydney steel mills. A short time ago a small order for rails was received, which, together with work on the operators' own account, will keep the iron and steel plant operating partially for several weeks.

It remains to be seen whether or not sufficient business will be drummed up to keep the plant operating throughout the winter. Prospects at the moment are not too encouraging. A change for the better in business might bring in its wake additional orders for iron and steel, but the principal market for these products — namely, the railways — holds little promise either for this winter or 1933.

Coal Mining Affected

Turning to the coal mining industry one finds that operations are limited. The lack of orders from the steel plant at Sydney has made itself felt. On top of that the importation of British coal into the markets of Quebec and Ontario, and even Nova Scotia, has made it difficult for the Nova Scotian mines to compete.

Various forms of assistance have been rendered by the Federal Government in an effort to promote the further use of Maritime coal in Quebec and Ontario. While this assistance has been of substantial benefit, the fact remains that much of the industrial and domestic business along the St. Lawrence is going to the importer of British coals.

Exchange is Problem

Under the present exchange situation, the coal importer is at a marked advantage, being able to pay for his English purchases on very favorable terms as long as the pound sterling remains at a heavy discount.

The opinion holds in Maritime circles that as long as the Canadian dollar remains at a premium in relation to the English pound sterling, it will be a difficult matter for the Canadian producers to compete with the English exporter, especially on coal. This situation is fully appreciated by the Nova Scotia government and it is understood that overtures have been and are being made with Ottawa in an effort to see if the coal mining industry of Nova Scotia cannot be given more protection.

In the event of a favorable decision, it is to be expected that operations in the coal areas would be stimulated and more employment provided.

Conditions in the lumbering industry are not dissimilar to those in the coal mining industry, except that the lumber operator is forced to seek foreign markets for his product. Here he is at a definite disadvantage being unable to meet the competition of the Soviet and Scandinavian lumber manufacturers who are able to overcome high tariff barriers and undersell the Maritime product solely due to depreciated currency.

At one time the United States offered a large market for Nova Scotia lumber, but the high tariffs imposed by that country have managed to restrict trade between the two countries.

Active Newsprint Operations

The newsprint industry of Nova Scotia is highly active in comparison with the dull times experienced by operators in other provinces. Advantages in respect to timber and tide-water shipping facilities have enabled the Mersey Paper Co. (the only newsprint operator in the province) to maintain plant operations at capacity.

Some misgiving is expressed in official quarters as to the possible effect of a consolidation or re-allocation of tonnage in the newsprint industry upon Mersey's plant operations. The opinion has been expressed that the provincial authorities will strongly oppose any plan or change in the present scheme of things which will adversely affect the operations of Mersey Paper.

Refiners Doing Well

Sugar and oil refining are two of the province's major industries that have been able to more than hold their own during the present depression. These two industries have come through the unsettlement in good shape and have been able to maintain plant operations. They have been helped in this owing to the favorable position they are placed in respect to the purchase of raw materials. Unlike the exporters which are at a disadvantage in having to sell in foreign currency, these two manufactures have been enabled to pay in foreign currency with resultant benefit to themselves.

Export Trade Restricted

As a Maritime province, Nova Scotia is and has always been greatly interested in export trade. Its nearness to the British Isles the United States , the West Indies and South America, has resulted in the building up of an extensive export trade with those markets. The disturbed monetary situation has adversely affected those industries which are in any way dependent upon export trade as an outlet for their production. In some instances the manufacturers have been hard hit. Others have given up the export trade and confined their marketing efforts to the domestic market.

Taken as a whole, however, industry in Nova Scotia would appear to be as much affected by the disadvantageous currency situation as by the decline in business activity within the country. A large share of the market for Nova Scotia products exists outside the country, but the producers are unable to meet the price of their foreign competitor, who, with depreciated currency, is able to sell more advantageously.

Tourists Flock to Province Both by Land and Sea

Large Liner Cruises from New York Make Halifax Leading Port of Call Bringing More Than 22,000 Visitors to Province

Though improved highways and greater use of motor cars has widely increased tourist traffic in Nova Scotia in recent years, the province's own heritage, the sea, has been the means of enhancing Nova Scotia's tourist appeal in the past two seasons.

Nova Scotia was made the leading port of call of cruises out of New York last summer and 31 liners brought over 22,000 passengers to the port of Halifax alone. As a result of these cruises, traffic through the port of Halifax showed an increase over 1930 of more than 300 per cent.

But the intangible effects of these giant liners' visits are perhaps greater than the results accruing from the actual influx of tourists. For in addition to the thousands of persons brought to the province, Nova Scotia received a large amount of valuable publicity through the advertising programmes of the various steamships companies. Each passenger who has landed in Nova Scotia from the cruises is a potential visitor next year; arrangements are being made to establish stopover privileges for cruise passengers who will thus be enabled to spend some time visiting different areas in the province in the future.

Nova Scotians feel there is good reason for prolonging a visit to their province. They point out that there are endless attractions offered to the tourist. Ranging from inland lakes and forests to rugged sea coast and shining beaches there is a diversification of scenery which appeals as much to the native as it does to the visitor.

To students of history there is much in Nova Scotia that yields a wealth of material. Annapolis, Louisburgh, Grande Pré, all those names which meant so much to early pioneers of North America are still to be seen and explored. Battlefields, forts and harbors, they still are there in Nova Scotia to stimulate the imagination of the modern sightseer.

Aggressive steps have been taken by the Department of Highways to further the tourist industry. Last year some 420,000 pieces of literature, descriptive of the province. were distributed throughout Canada and the United States and display advertising was carried in leading newspapers of New York, Boston, Philadelphia, Baltimore, Cleveland, Pittsburgh, Toronto and Montreal.

Seek to Extend Season

For some years the Department has sought to extend the tourist season in Nova Scotia so as to cover more of the spring and autumn months. These efforts have met with considerable success. From May 15 to October 15, 1931, visitors numbering 253,984 entered the province according to figures based on official records of various transportation companies and from the census of motor cars kept by information bureaux at Amherst and Yarmouth.

Unceasing work on its highways has done much to increase motor tourist traffic in Nova Scotia. At the end of last year there were 4,335 miles of graded and surfaced highways while the total of all highways was 14,719 miles.

Nova Scotia Purchases 21,000,000 Gallons Gasoline

Nova Scotia provides a growing market for gasoline, judging by the records compiled by the provincial Motor Vehicle Branch. During 1928 the province consumed 14,366,809 gallons. In the following year consumption jumped to 17,284,990 gallons and in 1930 to 19,945,520 gallons. Last year another increase was witnessed, the Motor Vehicles Branch recording a consumption of 21,189,937, or an increase of nearly 29 per cent in the four year period.

What is particularly significant in the study of gasoline consumption in Nova Scotia, is that the rate of increase has been more rapid than the registration of motor vehicles. Between 1928 and 1931 the number of motors registered within the province increased from 35,194 to 43,758, or a gain of approximately 19½ per cent.

The marked gain on consumption is attributed, in a large measure, to the improvement of provincial and local highways. During this four year period the province and municipalities spent several millions of dollars in bringing about an improvement in highway conditions, which in turn has resulted in increased motor travelling.

The following table showing the consumption of gasoline by months in Nova Scotia between 1928 and 1931 is of interest in that it indicates the month of heaviest consumption to be in August, while in the first quarter of the year demand is very limited.

GASOLINE CONSUMPTION IN NOVA SCOTIA BY MONTHS

	1928 Gallons	1929 Gallons	1930 Gallons	1931 Gallons
January	338,029	535,489	547,123	652,107
February	364,154	591,692	456,860	621,510
March	406,675	560,150	704,088	601,535
April	660,881	785,171	1,069,432	1,226,633
May	1,446,898	1,694,476	2,103,768	2,120,670
June	1,650,357	1,995,663	2,214,088	2,318,075
July	1,839,574	2,333,165	2,597,926	2,565,863
August	2,089,298	2,421,583	2,696,154	2,777,898
September	1,680,719	1,961,837	2,293,100	2,294,637
October	1,582,645	1,800,180	1,951,709	2,138,995
November	1,240,689	1,522,559	1,648,650	1,756,560
December	879,354	769,167	1,084,446	1,282,641
Total	14,149,268	16,971,086	19,367,349	20,357,124
Add gallonage tax exemptions	217,541	313,904	578,171	832,813
....	14,366,809	17,284,990	19,945,520	21,189,937

INDUSTRIAL OUTPUT OVER $85,000,000

(Continued from page 12)

dustrial operations in the province, that for 1930, the Bureau of Statistics sets forth the number of establishments in Nova Scotia at 1,302. This is an increase of 107 over 1929.

Despite this increase of establishments, however, production decreased by $8,489,895, the figures being $85,802,921 in 1930 and $94,292,816 in 1929. As the latter was an abnormal year in many respects, it is interesting to compare the value of production in 1930 with that of other years. In 1928 the value of manufactures was $84,948,608; in 1927, $74,458,297; and in 1926, $73,505,642.

The drop in production values was due in part to lower commodity values, as the number of employees reported by the 1,302 industrial concerns totalled 21,069, or a number greater than in any of the preceding five years. Salaries and wages paid to employees, however, showed a slight falling off amounting to $17,537,690, as against $17,925,190 in the preceding year.

Over $44,000,000 was spent by the Nova Scotian industrial concerns in 1930 for the purchase of materials. This was about $7,000,000 less than in the previous year, but above the average for the past five years.

Iron and steel takes precedence as the most important industry in the province, with a value of production of $11,814,234. Capital invested in this industry amounted to $21,508,717, or about 17½ per cent of the total of all industries.

Fish curing and packing ranked second in importance among industrial operations in 1930, with an output worth $7,602,659. Next came pulp and paper with a production valued at $4,893,891. The latter has come rapidly to the fore in the past few years owing to the establishment of a large pulp and paper plant at Liverpool by the Mersey Paper Co.

Diversity of Industry

Railway rolling stock ranks fourth among the ten leading industries of the province with an output in 1930 valued at $4,770,668. The biscuit and confectionery industry followed with $3,808,639.

Central electric stations to the number of 85 had a production during the year valued at $3,675,905; sawmills, $3,238,847; butter and cheese, $2,874,874; printing and publishing, $2,172,420; and hosiery, knit goods and gloves, $1,773,382.

Turning to groups of industries, the Bureau's report shows iron and its products to be the principal one, with a production in 1930 valued at $20,583,336. Ranking second in importance is the wood and paper products group with manufactures worth $13,949,674. The other groups in their order of importance, together with value of output, follow; vegetable products, $12,857,230; non-metallic mineral products, $12,667,527; animal products, $11,211,987; textiles and textile products, $4,803,256; central electric stations, $3,675,905; miscellaneous industries, $2,863,683; chemical and chemical products, $2,138,275; non-ferrous mineral products, $52,048.

Halifax with 100 industrial establishments takes the lead as the most important manufacturing centre in the province, with an output valued at $16,067,662. Two other cities have an industrial production in excess of $10,000,000, namely, Dartmouth with $15,397,621 and Sydney with $14,507,166.

Following is a synopsis of the leading industrial centres of Nova Scotia, showing the number of establishments and value of production:

	Plants No.	Value of Products $
Halifax	100	16,067,662
Sydney	31	14,507,166
Dartmouth	14	15,397,621
Trenton	3	6,789,798
Liverpool	11	5,027,063
Truro	29	3,505,910
Amherst	25	2,412,708
New Glasgow	30	2,131,893
Yarmouth	30	1,753,253
Windsor	13	1,196,217
Lunenburg	14	759,900
Bridgewater	17	630,056
Pictou	10	615,379
Glace Bay	8	516,058
Lockport	6	482,013
Stellarton	11	480,205
Port Hawkesbury	5	428,963
North Sydney	12	417,819

MARITIMES MOVE AGAIN ON RATE CASE

(Continued from page 12)

provided at a cost of several millions.

The National Transcontinental Railway was undertaken more than 25 years ago to provide a competing shipping route with the all-water canal system. It was provided in the act of incorporation that the rate for export of grain via this line through the Maritime ports should not exceed the all-water rate. The Transcontinental Railway was built at a cost of over $200,000,000 and tied in with the Intercolonial Railway which had been built at a cost of another $150,000,000. The economic value of this route is still to be proven. The railways have found it more expedient to move grain over other routes, with the result that relatively little grain moves through Halifax or Saint John.

Want Agreement Implemented

Maritime interests contend that the provisions of the Transcontinental Act should be lived up to, in which event the cost of moving grain from the Head of the Lakes to Halifax and Saint John would be such as to induce shippers to use that route. Freight rates have never permitted this and the railways have opposed any move to lower the tariff as they claim that at the rate asked for by the Maritimes it is impossible for them to move the grain at a profit.

Following upon representations of Maritime interests the Dominion Railway Commission ordered the Canadian National Railways to reduce the rate on wheat from the Head of the Lakes from 34.5 cents per hundred pounds to 18.4 cents per hundred pounds, on the ground that this was part of the agreement when the National Transcontinental Railway was constructed. The rate to Halifax from the Head of the Lakes is 1 cent per hundred pounds more than the old rate to Quebec City, but the 1 cent differential has not been maintained. In other words, when the rate to Quebec was reduced to 18 cents, the rate to Halifax was left where it was, namely 35 cents.

Non-compliance with the board's order has left the Maritimes where they were before the agitation for lower freight rates on grain was instituted. It is the contention of the railways that the cost of transporting the grain from the Head of the Lakes to Saint John or Halifax would be in the neighborhood of 24½ cents as against the rate of 18 cents, plus the 1 cent differential demanded.

The claims of the Maritimes as based upon the terms of the National Transcontinental Railway Act are regarded as sound. On the other hand, it has yet to be proven that the railways can move the grain at a profit from the Head of the Lakes to the Maritime ports at the rate demanded. As the burden of this charge would lie on the Canadian National Railways, which has been and is being operated at a heavy loss, there is distinct opposition to adding to the loss by enforcing an arbitrary ruling in an effort to divert grain from the more economical transport channels.

An alleviation of the situation is seen, however, in the recent concession granted by the United Kingdom to Canadian grain, whereby the latter is given a preference provided that the grain is shipped from Canada to the Old Country on a through bill of lading. In order to obtain this preference it will be necessary for the shippers to use Canadian port facilities to a larger extent than heretofore.

SCOTIA'S ECONOMIC WEALTH RESTS UPON FOUNDATION

(Continued from page 12)

gypsum is shipped to the United States and calcined there.

As far as gold mining is concerned production has tended to decline in recent years. Nova Scotia has long been a recognized gold producer and its records go back to far as 1862. Output reached its peak at the beginning of the present century but has tended to decline steadily since the new mining camps have been opened up in Ontario and Quebec. Last year the province produced 2,954 ounces of gold which compared with a peak in 1899 of 104,122 ounces.

At Malagash in Cumberland County the Malagash Salt Co. operates the only rock salt mine in the Dominion. This deposit was discovered in 1917 while drilling for water was being undertaken and it has been developed in recent years on a commercial scale. Several grades of rock salt are produced and crushed in suitable forms for the various markets, the fish packing industry taking large quantities.

Low prices for base metals have forced suspension of operations at the Stirling property in Richmond County and at various other base metal properties under development in the province.

Geographical location caused the mineral resources of Nova Scotia to be explored before any other part of Canada; as early as 1604 iron, silver and copper were reported. Though many millions of dollars have been taken from various mines since that time, the province's minerals will prove a source of wealth for many years to come.

The following table illustrates the production and comparative values of minerals produced in Nova Scotia during the past two years:

	1931		1930	
	Quantity	Value $	Quantity	Value $
Metallic—				
Gold, ozs.	460	9,509	1,272	26,294
Manganese ore, tons	60	2,400	4	60
Silver, ozs.	48	14	67	26
Non-Metallic—				
Barytes, tons	16	363	66	1,454
Coal, tons	4,955,563	19,016,720	6,252,552	24,528,860
Diatomite, tons	1,484	29,679	398	7,960
Grindstones, tons	......	......	6	110
Gypsum, tons	707,817	878,487	827,063	982,287
Quartz, tons	3,116	6,836	8,057	18,494
Salt, tons	27,718	143,761	23,058	186,226
Silica brick, M	621	22,044	2,040	78,259
Structural Materials & Clay Products—				
Clay products	......	467,126	......	495,333
Lime, tons	18,430	79,418	31,114	113,250
Sand and gravel, tons	403,858	198,757	525,683	210,407
Stone, tons	83,181	225,632	152,468	320,316
Total	......	21,089,746	......	27,619,367

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BUTTER MAKE AT NEW PEAK IN PAST YEAR

Production Touches Highest Level Ever Reached in Province

EFFICIENT METHODS

Nova Scotia, Naturally Adapted to Dairying Industry, Has Many Creameries

Creameries continue to play an increasingly important part in agricultural life of Nova Scotia. The province is naturallly adapted to dairying, and increasing demand coupled with relatively good prices, brought production of butter to a new high level in 1931.

Last year Nova Scotia produced 5,896,270 pounds of butter, an increase of 24 per cent over the previous year and the largest make to be recorded in the history of the province. The gain is attributed to favorable weather conditions, comparatively good prices and reasonable feed prices during the winter months. Progressive farming, efficient production methods and creamery co-operation also played an important part in bringing output to a new high record.

Analysis of Production Areas

To appreciate fully the situation in Nova Scotia's dairying it is necessary to know where the butter is produced. For this purpose the province may be divided into five districts: Eastern, Central, Western, Northern and Southern. Eastern district includes Stellarton and all country east; Central district includes territory south of the Short Line, Colchester, Halifax county, and Hants to Windsor; Northern district includes Oxford to Pictou and Cumberland county; Western district: Windsor to Yarmouth and Southern: Lunenburg county.

On this basis total butter make in 1931 was distributed as follows with comparative figures for 1920.

	1931 %	1920 %
Northern	28.9	13
Southern	4.7	..
Eastern	11.7	27
Western	26.2	29
Central	10	13

Northern Farmers Lead Output

In production per farmer the Northern district still leads. Last year each farmer in the Northern district produced 699 pounds with the other districts as follows: Western, 518 pounds; Central, 565 pounds; Western, 518 pounds; Southern, 421 pounds; Eastern, 303 pounds.

Altogether 63 per cent of the butter make in Nova Scotia is produced in one-half of the year and the remaining 37 per cent in the other. Summer and fall, of course, are the months in which the greatest volume is made. In his report for 1931, W. J. Bird, Dairy Superintendent for the province pointed out that if the amount produced in July and August is increased in any considerable amount quality must be improved as it will have to be sold on a graded basis. Quantity, he points out, is increasing and quality is improving as it should.

Successful marketing, the report continues, depends upon regular supplies available in quantities demanded by the consumer. The small amount of cream available for eight months of the year adds to the cost of manufacturing, a factor which is important.

Should Grow Own Feed

Home grown feed is a vital attribute to successful production of milk on Nova Scotia farms, it is stated. Timothy or other grass hays often cut much too late, will not produce milk, the report says, but roots and grain are stressed as important to milk production.

Prices Were Satisfactory

As regards prices obtained in 1931 there was a demand for Nova Scotia creamery butter at comparatively good values. Prices varied between 30.9 cents in February to 19.4 cents in October, the lowest monthly average. Montreal quotations are taken as the basis for the average. Butter prices in the local market are determined by export prices, which in turn are governed by British quotations. Despite the increase in production large quantities of butter are still shipped into Nova Scotia, some of it low grade to supply the local demand.

The report states that in a general way there has been no improvement in the flavor of Nova Scotia butter. Workmanship in production, however, has shown steady improvement and is now outstanding in its uniformity. During the summer months it was the custom to pack butter in solids. In recent years more butter has been printed and wrapped in creamery wrappers which has gone into storage and held until the winter months.

Retesting Work is Active

Total number of farmers' cream samples retested during 1931 was 10,050. Retesting composite samples can be done satisfactorily, the report states, but where creameries are using the daily testing method Mr. Bird holds that the retesting is not satisfactory.

Better farming methods to grow more feed; improved stock; butter of improved quality, lower manufacturing costs; increased production; and good marketing were factors stressed as being necessary to the dairy industry in Nova Scotia.

Nova Scotia Livestock Show Decrease in Number

Raising of livestock in Nova Scotia is not as popular or widespread today is it was in 1921, judging by a survey prepared by the Federal Bureau of Statistics. In 1921 the province had 54,439 horses, but ten years later the number had declined to 44,579. On the other hand, the number of mules increased from 4 to 18. Cattle declined in number during the ten year period from 266,363 to 220,767. Sheep raising has also waned, there being 195,220 sheep in the province last year as against 271,742 in 1921. The number of swine has raised fairly constant, 43,668 in 1931 compared with 47,457 in 1921. Poultry raising has gained rapidly, there now being 1,265,326 in the province as against 994,134 a decade ago. Beekeeping is another branch of agriculture which has grown in popularity, the province now having 3,038 hives of bees, or nearly four times as many as in 1921.

Industrial Plant Operations In Nova Scotia Vary Widely

Dominion Steel and Coal Corp.

Conditions surrounding Dominion Steel and Coal Corp. have not undergone any material improvement over the last 12 months. With its operations extending over the manufacture of iron and steel, iron ore and coal mining, railway rolling stock manufacture, shipping and a host of allied lines, the company has been vulnerable to depressed conditions in Canada and elsewhere.

Operations of the different units controlled by Dominion Steel have been on a lower basis this year than was the case in 1931. The Sydney iron and steel plant has been operating on short shift mainly due to the lack of buying from the railways. A small order was recently secured which will enable the management to keep the plant open for a few weeks, but prospects for the balance of the winter and next year do not look encouraging at the moment.

Coal Division Affected

Coal mining has been affected by the slowing down of operations in the iron and steel divisions. This division also has been affected by the falling off in demand from the Quebec and Ontario markets. Aside from the lower consumption of coal, which would ordinarily occur in times such as these, the company has been faced with the competition provided by imported coals from the United Kingdom. Owing to the heavy discount on the English pound sterling, English coals have been brought into Canada on very favorable terms, so much so that the Nova Scotian producers have found it an extremely difficult matter to meet the competition.

The Federal Government has rendered assistance to Nova Scotia mining but this has been largely offset by the currency situation. Investigations have been made by various interested agencies to see if some solution could not be found for aiding the coal mining industry. If a solution can be found, the province would be a long way on the road toward relieving the unemployment situation.

Other Branches Quiet

Other branches of Dominion Steel and Coal Corp.'s operations have experienced conditions similar to those in the major divisions. Iron ore mining at the company's property at Wabana, on Bell Island, has been reduced to a minimum because of a lack of market in Sydney and Germany, which between the two take over 90 per cent of the output. In addition the iron ore mines have sufficient stocks on hand to take care of normal requirements for some time so that there is no necessity of resuming operations.

The nail, wire and rolling stock plants are relatively inactive owing to the lack of orders. On the other hand, the Halifax Shipyards Ltd. (one of the company's subsidiaries) is enjoying a fair degree of prosperity. This unit has sufficient business on hand to keep its plant at Halifax busy for some time to come.

Nova Scotia Light and Power Co.

This is the largest utility in the province, controlling the electric light and power services, tramways and gas operations in Halifax, Dartmouth and tributary territory. In addition it has control of the Avon River Power Co. which serves the Annapolis Valley with light and power.

Operations of this company have been satisfactory to date this year. While revenues from tramways have fallen off, income from other divisions has been relatively well maintained. It is expected that income account for the year will show that earnings have not been far short of those reported in 1931.

During the past year efforts were made by Nova Scotia Power to merge with its properties those of Avon River Power Co. An application to this effect was made before the Nova Scotia Board of Public Utilities but did not meet with full approval. Opposition was raised on the point of regional rates and on that account the matter was let ride.

Maritime Telegraph and Telephone

Maritime Telephone has experienced a falling off in the number of stations installed, while the volume of toll traffic has decreased. This is a condition similar to that reported by other communication systems in Canada and elsewhere and is a reflection of business conditions. The drop in the number of stations has not been heavy for any month, but the aggregate is of fair proportions.

Revenues of the company, on the whole, have stood up fairly well. It is not expected that income for the full year will be up to that reported in 1931, but no change in the dividend rate is expected at this time.

In the near future the company proposed to issue an additional $500,000 first mortgage bonds. Approval of this issue has been asked of the provincial utility board.

Acadia Sugar Refining Co.

Operations of this company have been well maintained over the past 12 months. Earnings are understood to have shown a moderate gain—a condition which is reflected in the action of the management in paying off arrears of dividends on the preferred stock.

Acadia Sugar, like other sugar refining companies, was hard hit following the collapse of the sugar market in 1920. In the intervening years the management has steadily strengthened the operating and financial position of the organization until today it has gone a long way back on the road of recovery.

The position of the company has been helped by the institution of the anti-dumping act by the Federal Government, which has prevented unfair competition from foreign imports. This has made for more equitable marketing arrangements; a factor which has been of inestimable help to the operators in maintaining their financial position.

Moirs Limited

Experience of Moirs Ltd., one of the largest chocolate and confectionery manufacturers in the Maritimes, has not been too favorable this year. The loss of the export market due to the depreciated buying power of importers has confined marketing to the domestic market. Demand for the company's products has fallen away in common with other manufacturers engaged in the same line of business.

No interim statement has been issued by the company on its earnings for the current year. Expectations are that income will not be sufficient to cover bond interest. During 1931 the company reported net operating income of only $27,366. This compared with bond interest of $97,737. No provision was made last year for depreciation, which ordinarily runs between $110,000 and $130,000.

Mersey Paper Co.

Mersey Paper Co. is one of the province's newer industries and is the only manufacturer of newsprint in Nova Scotia. This company operates a plant at Liverpool with an official rating of 275 tons daily. Owing to its favorable location of tidewater, which enables the company to make substantial savings in transporting the paper to market, Mersey Paper has secured a large volume of business enabling plant operations to be maintained at better than official capacity.

The situation generally in the newsprint industry is very unsatisfactory. Discussions among the industry's leaders on the proposal to consolidate the major units, and, in the meantime, the re-allocation of tonnage, are not without interest to Mersey.

Revenues of the company last year were sufficient to take care of all prior charges and leave a balance applicable to the preferred stock. With the price of newsprint substantially lowered, it is expected that income this year will not be as high, though there should be enough to cover senior charges.

Nova Scotia Power Commission

For more than a decade Nova Scotia has been interested in the development and distribution of power through the publicly owned Nova Scotia Power Commission. From a small beginning the commission has gradually widened its operations until today it has eight systems in operation.

Generally speaking the commission has followed the policy of selling power wholesale rather than retail. While a number of areas are supplied with electricity, the major share of the power output is sold in block to such consumers as Nova Scotia Light, Heat and Power Co., Mersey Paper Co. and municipalities with their own distributing systems.

Output Slightly Lower

During the fiscal year ended September 30, 1932, the commission reported an output of 148,500,000 kw.h. This compares with 151,700,000 kw.h. during the preceding year. The turbine installation has remained unchanged during the twelve months, the aggregate installation of the 12 developments being 61,330 h.p. The length of transmission and distribution lines has not undergone any marked change being some 230 miles at the end of September last.

Revenues for 1932 approximated $1,100,000, as against $1,055,000 in the preceding twelve months.

Distribution of Power

In an analysis of power distribution last year, the commission reports that of the 36,500,000 kw.h. consumed in Halifax, 24,000,000 was supplied from its plants. In addition to Mersey Paper and other large wholesale purchasers, the commission supplied power to over 800 rural connections.

Domestic and commercial consumption of electric energy continues to show an increase, but the industrial load was somewhat smaller in 1932.

The commission has no major development under consideration at present. Investigations have been made into the possibility of a hydro-electric undertaking in the Lake Ainslie area, but a definite decision on this will have to wait until the Sydney situation is cleared up.

Stanfields Ltd.

Though there is no public investment interest in Stanfields Ltd., operations of this woollen and textile manufacturer, play an important part in the industrial life of the province. With the death of the former head of the company, Hon. Frank Stanfield, a capital reorganization was effected whereby the old shareholders were offered cash and an interest in the new company for their holdings.

Current operations at the Truro plant are understood to be fairly satisfactory. Over many years the company has built up an established reputation for its products which has stood it in good stead during the present business recession.

No information is available on current earnings as the company no longer issues a statement.

Nova Scotia Public Cold Storage

Nova Scotia Public Cold Storage Terminals operates one of the largest plants of its kind in the Maritime Provinces. Its facilities have been especially designed for the handling of Maritime products, such as apples, fish, potatoes, etc.

Although starting under favorable auspices subsequent developments have not been favorable to the company. Large sums of money were invested in a quick-freezing process for fish. Owing to the irregularity of supplies and other handicaps this investment was never fully realized on.

Some months ago a meeting of the bondholders was called when they were asked to deposit their proxies with a special committee. It was intimated that a sale of the properties of the company was likely. Though no announcement has been made since that time, it is understood that negotiations have made satisfactory progress and that a sale will be effected.

Avon River Power Co.

Electric light and power facilities in the Annapolis Valley are supplied largely by Avon River Power Co., a subsidiary of Nova Scotia Light and Power Co. Over the past two or three years the company has been active in extending its field of operations and to that end has purchased a number of small independent distributing systems.

The company has power resources totalling 13,100 h.p. Since its acquisition by Nova Scotia Power the system has been hooked up with that of the parent company, through a transmission line from Windsor to Halifax.

No details are available as to earnings this year, but it is anticipated that the 1932 income account will show revenues to be on as large a scale as those reported in 1931.

Canada Electric

Canada Electric is one of the principal privately-owned generating and distributing power systems in Nova Scotia. Operations are carried on at Maccan and energy distributed to Amherst, Sackville, Springhill, Joggins and intervening points. Oxford and points between it and Springhill are also supplied through the Springhill substation.

Though no financial statement is issued by the company, it is understood that operations have been on a profitable basis. The power sales of the company run between 10,000,000 and 11,000,000 kw.h. annually.

Early in 1930 Canada Electric was segregated from Maritime Coal, Railway and Power Co., control going to the Central Station Power and Light Corp., part of Utilities Power and Light System.

Minas Basin Pulp and Paper Co.

This is one of the few pulp manufacturing undertakings in the province. At one time there were a number of small plants engaged in the production of pulp, but the change in the American pulp and paper situation has necessitated the closing down of the majority. Minas Basin operates a modern and efficient plant at Hantsport, the output being marketed with the Scott Paper Co. in the United States.

The company, which is privately owned, has its own timber limits of about 50,000 acres and, in addition, has leased areas and also purchases wood direct from farmers.

USE LIMESTONE ENRICH FARMLAND

Raising of Larger Forage Crops Will Benefit Livestock Raising

A greater livestock industry for Nova Scotia is held to be the outcome if farmers of the province will take full advantage of the provincial government's offer to provide cheaper crushed limestone for land conditioning. The raising of more bountiful forage crops will result from the treatment of the acid soils with limestone and to this end a new Government-owned limestone plant has been completed at Pugwash, N.S.

Announcement that the plant is ready to cater to the limestone requirements of Nova Scotia farmers was made by Hon. O. P. Goucher, provincial Minister of Agriculture. Mr. Goucher stated that it would now be possible for farmers to obtain crushed limestone at greatly reduced cost. Enormous quantities are expected to be used as the requirements of the soil vary from one to four tons per acre according to the nature of the crop.

Committee Investigates

Establishment of the limestone plant was on recommendation of a special agricultural committee after a complete survey of the province in which it was found that the volume of limestone being used was much less than it should be. The new plant will provide unlimited quantities of high class agricultural stone, which is offered to the farmers at a uniform, or delivered, price of $3 per ton in carload lots, a reduction of $1 per ton from the price prevailing prior to 1932.

The statement emphasizes the need of lime as the foundation of successful livestock raising and its absolute necessity for the acid soils of the province if profitable crops of clover, alfalfa and mixed hay are to be grown. The plans include provision at the next session of the Legislature for appointment of an agricultural limestone board to handle all operations and sales on a non-profit basis.

FARM MORTGAGE NOT WIDESPREAD FOR NOVA SCOTIA

Farmers' Tax Burden is Lighter Than in Other Provinces

Nova Scotia farmers reported a total mortgage debt in 1931 of the relatively small total of $6,604,400. The number of farms reporting mortgage debts totalled 4,071, or 10.32 per cent of the total. The average mortgage of farms reporting was $1,144, and the ratio of mortgage to value of all farms was 11.37.

In the census of 1931 every farm owner in Canada was asked, for the first time, to state the total mortgage on his farm. The mortgage debt reported under this enquiry included not only the debts secured by an instrument called a mortgage but also debts protected by deeds of trust, judgments or by any other legal instrument that partakes of the nature of a mortgage which has the same legal effect.

Tax Burden Light

Nova Scotia farmers have a lighter tax burden than those in any other province in the Dominion with the exception of Prince Edward Island. During 1930 taxes paid amounted to $1,161,720, which was equivalent to a tax per acre of owned land of 29 cents, and a tax per acre of improved owned land of 91 cents.

Farm conditions in Nova Scotia compare favorably with those in other provinces in the Dominion, according to a survey made by the Dominion Bureau of Statistics. Of the total land area in the province, amounting to 13,483,520 acres, 31.91 per cent is used for farming purposes. This land is in turn subdivided among 39,444 farmers, of which number 37,176 own and occupy their own farms, 1,055 are tenants and 1,213 are part owners and part tenants.

Owners in Majority

The report shows that of the 4,302,031 acres of occupied farm lands, 4,164,170 acres are occupied by the owners. Only 137,861 acres are farmed by tenants, while 1,213 acres are occupied by part owners and part tenants. The average size of the occupied farm is 109.07 acres, which is smaller than that reported by any other province with the exception of Prince Edward Island.

Roughly, 20 per cent of the occupied farms is improved land, or an average of 21.41 acres per farm.

Farm Values $82,500,000

The value of farm property in Nova Scotia, including lands and buildings, amounted to $82,514,500 in 1931. Of this figure, $38,624,000 was credited as being the value of the land and $43,890,500 as the value of the buildings. In the break-down to the individual farm, the Bureau's report shows that the average value of land per farm was $979; average value of occupied farm lands per acre, $8.98; value of improved land per acre, $45.73 and the average value of buildings per farm, $1,113.

APPLE HARVEST ON LOWER SCALE DUE TO STORMS

Good Price Fetched For Early Shipment of Windfalls

Apple growers in Nova Scotia received a setback this year when a large proportion of the crop was damaged by severe gales and high windstorms. Much of the fruit was blown to the ground, thus affecting its grading value. On representations to the Federal Department of Agriculture, approval was given to exporting the windfalls under the marking of "domestic windfalls."

The reception accorded these apples in the English market was very favorable, early financial returns, in some instances, being better than for the No. 1 pack. Toward the middle of the shipping season, the demand for the windfalls and graded apples eased off.

Drop in Production

It is now estimated that the apple crop for 1932 will run about 767,000 barrels. This is well below the average and compares with 1,375,000 barrels in 1931 and 1,172,443 barrels in 1930.

Up to the end of the first week in November approximately 325,000 barrels, or about 40 per cent of the crop, had been exported. Shipments from Halifax up to November 6 totalled 236,734 and from Port Williams to November 9 another 89,116 barrels, or a total of 325,900 barrels.

Fruit Crop Valuable

Last year the value of the fruit crop to Nova Scotia was $2,851,881. This compares with $2,898,394 in the previous year. The principal source of income was apples, which contributed $2,750,000, as against $2,860,761 in 1931. The decline in revenue from this source was solely due to the lower values prevailing, as the crop increased from 1,172,443 barrels to the 1,375,000 barrels.

Next in value to apples was strawberries, 813,264 quarts having a value of $81,326. This represents a sharp increase over the preceding year, when the crop of 227,000 quarts had a value of $20,430.

Pears, plums and prunes and raspberries also figured in the return, ranging in value from $2,080 to $10,275. All of the minor fruits showed increased production and value, the drop in aggregate revenue being due to the lower values for apples, the price per barrel having decreased from $2.44 to $2.00.

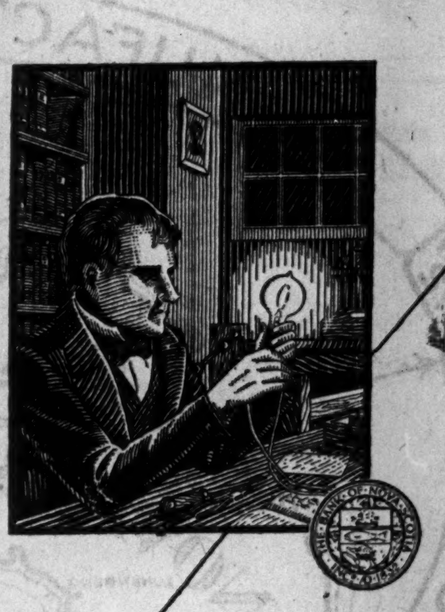
Halifax Holds Important Position

Hailfax is nearer important trade ports of South America than any other port on the Atlantic seaboard. Distance to Rio Janeiro is 4,611 miles as compared with 4,748 miles from New York. To Buenos Aires it is 5,710 miles against 5,838 from New York.

Motor Registrations Show Gains

Motor vehicles registered in Nova Scotia in 1931 totalled 43,758, an increase of 729 for the year. New car registrations were 6,130, a decrease of 1,410 compared with 1930. At present there are 11.7 persons per motor vehicle in Nova Scotia.

1832-1932



Nearly fifty years before the first practical incandescent lamp

Not until 1879 did Thomas Edison achieve an incandescent lamp for practical use—for nearly fifty years before that date The Bank of Nova Scotia had been conducting a successful banking business.

It is a long step from the original incandescent lamp with its fragile filament and inadequate light-giving capacities to the efficient electric light of today. The development of The Bank of Nova Scotia has been similar—this small local bank of a century ago today provides its customers with a service international in scope, offering all modern banking facilities.

This advertisement is one of a series commemorating the hundredth anniversary of The Bank of Nova Scotia

A CENTURY OF BANKING SERVICE

The BANK of NOVA SCOTIA

SUMMER CRUISES ATTRACT VISITORS

Forty Liners Engaged in Halifax to New York Trip

Summer cruises from New York to Nova Scotia, which were successfully inaugurated last year by a number of the large ocean steamship companies, were made still more attractive this year by the granting of stop-over privileges, enabling passengers to remain in Canada for some weeks before returning home.

In 1931 most of the large liners visited Halifax, making 30 cruises in all and carrying over 22,000 passengers. Final returns for this season are not in yet, but it is expected that the number of cruises will total 40 and the number of passengers carried well in excess of last years' mark.

Among the steamship companies that conducted cruises between New York and Halifax this year were the Cunard Line, the White Star and Red Star Lines, the French Line, National Tours, and other organizations. Listed among the giant liners that visited Halifax were the Leviathan, Berengaria, Aquitania, Belgenland, France, Paris, Transylvania, Maurentania and Homeric.

New Industry for Dartmouth

A new industry has been established in Dartmouth, across the harbor from Halifax, under the name of Barry Inventions Limited. The company will specialize in the manufacture of canned fish cakes or fish sausage.

Making the World Part of Your Community

IN TODAY'S business nothing more seriously handicaps progress than telephone service of an inferior standard. A community inadequately served is hopelessly out of step with the rest of the world . . . one with modern equipment is prepared at all times to seize and act on every opportunity.

Through the high standard of Telephone Service in Nova Scotia, business men in all parts of this province handle their affairs in the most speedy and dependable way . . . by Long Distance telephone. Without this service it is doubtful whether Nova Scotia's high commercial position could have been attained.

During 1932, in face of difficulties, this Company not only maintained and improved its service, but extended it . . . In 1933 the program of expansion will be carried still further.

Telephone service is a vital factor in business of today . . . This Company recognizes the fact and in the future, as in the past, will endeavour to anticipate each demand.

MARITIME TELEGRAPH and TELEPHONE COMPANY LIMITED

Forestry Industry Feels Lack of Export Demand as Operations Curtailed

Lumber Trade Affected Through Currency Situation

OUTPUT IS LOWER

Pulpwood Operations Bright Spot in Industry — Other Branches Holding Own

With its wealth of timber resources, forestry occupies an important place in the economic life of Nova Scotia. For more than two hundred years forestry has been carried on in the province. With the passing of time changes have taken place in the type of products, but the amount of timber utilized from year to year still constitutes one of the province's most important sources of income.

During the past year Nova Scotia wood production amounted to 350,335,678 f.b.m. This compares with 442,264,121 f.b.m., in the previous year, or a decrease of 20.79 per cent. This showing which is set forth in detail in the accompanying table is regarded by the provincial authorities as being especially satisfactory in view of the adverse conditions existing in forestry operations the world over. The lumbermen have made little or no profit on their operations, but the holding of organizations together is regarded as partial compensation.

Lumber Takes Lead

Lumber is still one of the most important industries of Nova Scotia. Millions of dollars of capital are invested in this field of endeavor and employment created for several thousands of workers.

Last year 645 mills were in operation in the province, producing 166,037,463 f.b.m. of lumber, according to a report prepared by Otto Schierbeck, chief forester for Nova Scotia. This was a decrease of $58,401,180 f.b.m. from that reported in the preceding year.

The decline in production has been due to the falling off in export demand, the province's two principal markets—the United States and England—having limited their requirements. In normal years American purchases of Nova Scotia timber amount in value to around $75,000,000, while England purchases about $10,000,000.

Tariffs Are Barrier

Imposition of high tariffs in the United States have gone a long way toward restricting trade with that country while the Nova Scotia lumbermen have been at a disadvantage in competing in the British market, where Soviet, Scandinavian and other continental producers are strongly entrenched.

Make Little Profit

In spite of low prices, so low that many of the operators have carried on with hardly any profit whatever, operations were carried out in order that the lumbermen might keep their organizations intact and their employees occupied.

Some of the smaller companies, however, were unable to carry out this policy. The consequence is seen in a reduction of the number of operators reporting to the provincial government from 835 in 1930 to 645 in 1931. The larger companies have been able to hold their own, but the small lumbering firm with an output ranging from 15,000 to 20,000 f.b.m. has been forced to withdraw from the field.

Pulpwood Stands Out

Next in importance to lumber production is pulpwood production. During 1930 some 169,976 cords of pulpwood were produced for export and 159,558 cords for local manufacture. In the former category there was a drop in production of 45,770 cords. This was entirely due to the difficult conditions in which the pulp and paper industry is placed at the present time. Over-production and a price war have created a very serious situation in the paper and pulp industry. The price of newsprint has gone down to such a low mark that only the newer, efficient mills, well-situated near to the wood supply, can produce at a profit. A great number of American mills, with obsolete machinery and no wood lands have, therefore, been forced to reduce their production or close down the mill.

The pulpwood for local consumption has only been slightly reduced. The strongest factor in this situation is the relatively newly-established Mersey Paper Co. plant at Liverpool, which takes the majority of pulpwood retained for domestic manufacture. Due to its exceptional location in respect to timber supply and transportation facilities, this company has been able to maintain operations at a level probably higher than that reported by any other mill on the continent.

Operations Are Diversified

Forestry operations in Nova Scotia have, over the years, become widely diversified. Though lumbering and pulpwood operations account for the bulk of production, other groups figure prominently in the returns.

Manufacture of ties, for example, is on the increase. The production of softwood ties has increased approximately 1,000,000 f.b.m. and that of hardwood ties by approximately 600,000 f.b.m.

Lath Output Lower

Lath production is still on the decrease, but the stock on hand from the times of over-production is nearly exhausted and an increase in lath manufacture is looked for. During the past year output of laths totalled 1,542,140 f.b.m. in the previous year.

One of the principal markets for forestry products in Nova Scotia is the coal mines, which annually require large quantities of timber for propping and other purposes. In 1931 the amount of mining timber produced amounted to 29,040,000 f.b.m. This compares with 36,606,500 f.b.m. in 1930.

Another domestic outlet for forestry products is in the form of barrels and boxes for packing apples. Nova Scotia is one of the largest apple producing areas in Canada and the quantity of wood used in packing runs into several million feet every year. During 1931, 13,558,035 f.b.m. of staves and headings were produced, compared to 19,334,802 f.b.m. in the preceding year.

Other markets have been developed by the forestry industry, the government returns showing a production of boxes and crates, woodenware, shingles, poles and pilings, etc.

Root and Fodder Crops are Larger

Root and fodder crop production in Nova Scotia this year records a substantial gain over that reported in 1931, judging by preliminary figures compiled by the Federal Department of Agriculture. The yield of the province's principal crop—potatoes—advanced from 1,946,000 cwt. to 2,081,000 cwt. Turnips, etc., also recorded a heavier output, totalling 2,575,000 cwt., as against 2,242,000 a year ago. The yield of hay and clover registered a healthy gain from 664,000 tons to 720,000 tons, while fodder corn dropped slightly from 5,200 tons to 4,400 tons. The acreage planted to these crops in 1932 totalled 430,800. This compares with 406,008 acres last year.

OUTPUT OF WOOD PRODUCTS IN NOVA SCOTIA

	1930 F. B. M.	1931 F. B. M.	% Increase	% Decrease
Lumber	224,438,643	16,037,463		26.02
Pulpwood export	75,942,592	59,831,552		21.21
Pulpwood local	60,168,192	56,164,416		6.65
Mining timber	36,606,500	29,040,000		20.67
Staves & headings	19,334,802	13,558,035		29.88
Poles and pilings	7,076,000	2,456,500		65.28
Boxes and crates	5,655,750	6,944,067	24.74	
Softwood ties	2,618,190	3,401,070	29.90	
Hardwood ties	2,240,130	2,883,810	28.73	
Woodenware, etc.	2,225,000	3,778,620	69.83	
Laths	2,204,397	1,542,140		30.04
Shingles	1,951,925	2,477,550	26.93	
Mining ties	1,736,000	1,156,500		33.38
Miscellaneous	160,000	1,603,955	564.97	
Total	442,264,121	350,335,678		20.79

BETTER CONDITIONS IN MANY CITIES

Weekly Report Contains Some Favorable Aspects

The weekly trade report of Canadian Credit Men's Trust Association for the week ending November 26, 1932, is as follows:

Halifax. — Wholesale and retail trade show very slight improvement, probably due to seasonal requirements. Collections fair to slow.

Saint John.—Wholesale trade report some seasonal improvement during past week. Retail trade also slightly improved, although the very mild weather prevalent did not stimulate trade to any extent. Collections slow.

Montreal. — Wholesale: Groceries very fair. Dry goods trade reported slightly better during past week. Boots and shoes quite active. Clothing and ready-to-wear fair. Hardware quiet. Retail: Both city and country report a fair week's trading. Collections: Wholesale very fair. Retail slow.

Toronto. — Very little change reported in general conditions, with the exception that seasonal goods, particularly referring to wearing apparel, rubber footwear and knit goods, have moved somewhat faster owing to the severe snow storm experienced during the week. Wholesale and manufacturing jewellery has experienced a slight upturn which can of course be attributed to expected Christmas trade. Farmers are receiving very little financial return for produce and cattle, which is considerably affecting country trade. Collections fair to slow.

Winnipeg. — Manufacturers report very little change from last week. Wholesale dry goods, boots and shoes and clothing lines remain fairly active. Groceries good. Retail trade reported moving faster. Collections fair.

Regina. — Wholesale groceries remain fairly good. Dry goods, boots and shoes and clothing lines show some improvement in trade. City and country retail trade reported fair. Wholesale and retail city collections fair. No improvement in country collections.

Moose Jaw.—Very little change reported in general trade conditions. Wholesale groceries and hardware remain fair. Dry goods, clothing and footwear lines slightly improved. Collections remain fair.

Saskatoon. — Wholesale groceries and hardware reported fair. Dry goods, boots and shoes and clothing lines remain very active. Retail trade reported slightly better during past week. Wholesale and retail collections fair.

Calgary.—Wholesale and retail groceries remain quite steady. Dry goods and wearing apparel trade slightly better during the past week. Collections on current accounts good; old accounts only fair.

Edmonton.—Clothing and footwear lines report quite an improvement in business; other lines normal. Very little grain is being marketed and collections continue slow.

Creamery Butter Output Maintained

Creamery butter production in Canada during the first ten months of 1932 declined 4.9 per cent as compared with the same period last year, but Nova Scotia's output was off only 1.1 per cent. Actual production for the first ten months of the current year was 5,207,984 lbs. This compares with 5,265,618 lbs. for the same months of 1931.

There has been developed in Nova Scotia a keen interest in the dairy industry and the educational work of the provincial government and other organizations has been productive of encouraging results. In addition to creamery butter, more and more attention is being paid to the manufacture of cheese.

CLIMATE, SOIL FAVOR FARMING IN NOVA SCOTIA

Agriculture Plays Important Part in Wealth of Province

DAIRYING ACTIVE

Fruit and Vegetable Division Only Classification to Show Increase in 1931

Climate and soil conditions have both worked in favor of agriculture in Nova Scotia. The province derives much of its wealth from the soil and, though mining and manufacturing take precedence in value of production, agricultural output is of vital importance. During 1931 production from this source was valued at $27,335,000 of which field crops totalled $10,087,000.

All divisions of agriculture had a lower value for their output last year with the exception of fruits and vegetables. The provincial apple crop, however, attained large proportions in 1931 and value of the classification totalled $3,671,000, a slight gain over 1930. A windstorm swept the Annapolis Valley early this fall and indications are that the apple crop will be reduced as compared with last year.

Farming is Diversified

Nova Scotia is fortunate, however, in having well diversified farming practised by its agricultural community. Dairying has made marked gains in recent years; in fact output of butter in 1931 constituted a record for all time. Low-priced feed, good stock and relatively satisfactory prices all tended to increase butter production. Efficient manufacturing methods have also played a part in increasing sales and enabling the farmer to compete with other producers.

Acreage of land plowed last fall was one of the largest on record, a fact which may be accounted for by the increased attention devoted to farming in view of poor returns in other industries, particularly lumbering. With little other work available a certain back-to-the-land movement has been noted which has been a factor in the greater acreage under the plow.

Egg production was high in early 1931, but with low prices poultry men did not take as good care as formerly of their flocks and as a result production started to decline earlier than usual. Poultry prices were comparatively good and quantity was well maintained.

An analysis of sources from which Nova Scotia derives her agricultural wealth is interesting. Following is a comparative table covering production value in the past three years:

(000's omitted)

	1930 $	1931 $
Field crops	16,647	10,087
Farm animals	4,186	2,264
Wool	197	111
Dairy Products	10,601	9,541
Fruits and veg.	3,631	3,671
Poultry, eggs	1,819	1,351
Fur	325	275
Maple products	36	'26
Clover	10	..
Honey	7	9

Extent of Field Crops

Since field crops play the most important part in farm production it is worth while to ascertain which crops are most cultivated. Records show that oats are the most popular grain; yield in 1931 amounting to 4,292,000 bushels followed by 312,000 bushels of barley.

Yield of potatoes was considerably lower last year, totalling 2,880,000 cwt. compared with 3,338,000 cwt. in the previous year. The decline was due largely to rot having set in several areas.

Following is a comparison of field crops in the past two years:

	Total Yield 1930	Total Yield 1921
	Bush.	Bush.
Spring wheat	116,000	97,000
Oats	4,343,000	4,292,000
Barley	359,000	312,000
Spring rye	4,500	5,000
Peas	18,000	......
Beans	51,000	......
Buckwheat	168,000	......
Mixed grains	163,000	......
	Cwt.	Cwt.
Potatoes	3,338,000	2,880,000
Turnips, etc.	2,812,000	4,069,000
	Tons	Tons
Fodder corn	13,000	8,000
Hay and clover	859,000	1,014,000

An encouraging feature of farming in Nova Scotia is the tendency toward increase in number of livestock. At the end of 1931 it was estimated there were 48,100 farm animals, excluding poultry, a figure which compared with 43,593 in 1930. The growth is indicative of the trend toward mixed farming which is such an important factor in agricultural life today.

Supplies Christmas Tree Market

W. C. Clark, "Christmas Tree King," has been in Kentville recently purchasing Christmas trees for the wholesale New York trade, this being his tenth annual trip to this centre. During the decade he has spent nearly a quarter of a million dollars on Nova Scotia Christmas trees.

Less Highway Accidents Noted

Highway statistics for 1931 show a marked reduction in accidents in Nova Scotia. Total number of accidents were less by 15 per cent than in 1930; number of persons injured by 22 per cent and fatalities by 23 per cent.

N.S. Liquor Board Spends at Home

Sales of the Nova Scotia Liquor Commission in 1931 totalled in value $4,958,232. There was a gross trading profit of $1,558,428 and a net profit of $1,029,668. After deducting cost of maintenance of the Nova Scotia police and other statutory charges, there remained a net balance of over $700,000 which was carried forward in the balance sheet.

In the breakdown of sales revenue last year, it is interesting to note that of the total income $2,577,426 was derived from the sale of beer; $1,908,428 from spirits; $461,678 from wines; $10,168 from alcohol and $530 from miscellaneous sales.

Of the purchases made by the commission in 1931, $2,355,636 was expended in Canada; $192,997 in Great Britain or British possessions; and $71,573 in foreign countries.

Quebec Largest Market For Nova Scotia Coal

Quebec is the largest factor in marketing of Nova Scotia coal. Out of total sales of 4,315,429 tons last year, Quebec purchased 1,835,524 tons, while 1,404,026 tons were marketed in Nova Scotia itself. New Brunswick constitutes the third largest market.

Each year large cargoes of Nova Scotia coal are shipped up the St. Lawrence River for Quebec ports but restricted industrial activity last year reduced Quebec purchases. The only markets to show an increase were New Brunswick and the United States, both of which bought more Nova Scotia coal than they did in 1930.

Figures for 1932 will reveal shipments to Ontario which do not enter into the table below. During the course of the year several substantial cargoes were delivered in that province as a result of strenuous efforts to provide a wider market for Nova Scotia coal.

Following are details of distribution of Nova Scotia coal sales in the past three years:

Destination	1929	1930	1931
Nova Scotia	1,925,519	1,844,480	1,404,026
New Brunswick	688,572	627,444	646,071
Newfoundland	213,031	243,364	133,373
Prince Edward Island.	106,227	103,720	83,640
Quebec	2,527,683	2,213,767	1,835,524
St. Pierre	2,405	1,638	1,703
United States	30,184	10,883	36,341
Magdalen Islands	1,040	....	....
Lost at Sea	508	6,905	....
Hudson Bay	6,267	....	....
Labrador	310	358	515
Bunker	264,466	228,949	174,236
	5,766,212	5,281,508	4,315,429

Fishing Industry Suffers From Lack of Markets

Foreign Competitors Have Advantage in Export Trade — Production Values Off —Lobster Catch Leads

Adverse exchange situation has been detrimental to the welfare of Nova Scotia's fishing industry. Newfoundland and European fishermen have successfully invaded the markets which the province had long enjoyed. There has been no deterioration in the quality of the Nova Scotian catch or the manner in which it has been prepared for market, but the depreciation of currency in the West Indies and other markets, has made it extremely difficult, and in some instances, impossible to compete with the foreign operator.

With a limited export market and a restricted domestic trade, the Nova Scotia fishing industry has been hard put for the last two years. Prices have dropped to a point where they provide but a meagre living for the fishermen, while the capital return to the larger operators is negligible; in fact, their operations only too often are conducted at a loss.

Until such time as the exchange situation rights itself, there is little prospect of a return of prosperity to Nova Scotia's fishing industry. Operations will continue, of course, but the return will not be commensurate with the capital invested or labor involved.

Lower Production Value

A survey of the province's fishing industry, prepared by the Dominion Bureau of Statistics, shows production in 1931 had a value of $7,986,194, compared with $10,411,102 in 1930 and $11,427,491 in 1929. These totals represent the value of the fish as marketed, whether sold for consumption fresh, or canned, cured or otherwise prepared.

The manner in which the value of the fish catch has varied over the past ten years is shown in the following table:

1922	$10,209,258
1923	8,448,385
1924	8,777,251
1925	10,213,779
1926	12,505,922
1927	10,783,631
1928	11,681,995
1929	11,427,491
1930	10,411,202
1931	7,986,194

Catch Was Lower

The catch of fish of all kinds for Nova Scotia last year amounted to 2,117,305 cwt. with a value to the fisherman of $4,833,900. This compares with a catch of 2,577,856 and a value to the fishermen of $6,842,953 in 1930. The decrease in the quantity of fish caught was 19 per cent, while the value to the fishermen and the market value, owing to lowered prices, were 29 per cent and 23 per cent respectively.

Among the principal kinds of fish, lobsters, halibut, mackerel and smelts show increases in quantity caught but decreases in marketed values, while swordfish alone records an increase in both catch and marketed values. The other principal kinds—cod, haddock, herring, salmon, hake and cusk—show decreases in catch as well as in marketed value.

Lobster Takes Lead

The lobster fishery in 1931 was of first importance, with the cod fishery second, the marketed value of the lobsters amounting to $2,725,620 and of the cod to $1,671,201. Haddock was third in order of a value with a total of $1,325,919. Some of the other principal species, together with the value of catch in 1931, follow: halibut, $393,642; herring, $335,201; mackerel, $368,411; salmon, $152,516.

The fishery industry also has a number of valuable by-products. The value of fish meal produced last year was $193,497. Fish skins and bones had a value of $23,430; fish offal, $11,162; fish fertilizer, $1,856 and fish oil, $1,331.

Over $10,000,000 Capital

Capital investment of the fisheries of Nova Scotia in 1931 was $10,232,805, to which total the value of the vessels, boats, nets and other gear used in the primary operations of catching and landing the fish contributed $6,813,124, or 77 per cent, and the fish canning and curing industry $3,419,681, or 33 per cent. Compared with the preceding year, the total capital shows a decrease of $1,011,935.

The number of men engaged in catching and landing the fish in 1931 was 15,527 while the fish canning and curing industry gave employment to an average of 1,726 persons during the year. This general average for the year is naturally much below that of the months when employment in fish canning and curing establishments is at its highest, viz., May and June—for the month of May, 1931, a total of 3,472 employees was recorded and for June a total of 3,299.

Canning Operations Intensive

Respecting canning and curing industry, the report shows that in 1931 there were 207 establishments as against 228 in the preceding year. Last year 97 lobster canneries had a production valued at $657,503, while in 1930, 106 canneries produced $633,365. Salmon and clam canneries to the number of 7 had an output in 1930 worth $15,261, while 5 canneries in 1931 had a production valued at $9,060. During the year two clam canneries closed; in each year 1 salmon cannery operated.

Fish curing establishments had an output last year of $2,348,823, representing the production of 94 plants. In the previous year 101 plants had a production of $2,815,982. There was a decline from 8 to 4 in the number of reduction plants, while production values dropped from $236,594 to $126,413.

Other fish canneries, numbering 7 in 1931 and 6 in 1930, had a production valued at $200,059 and $277,882 in 1930 and 1931, respectively.

GYPSUM LEADS NOVA SCOTIA'S NON-METALLICS

Province Records Largest Production in the Dominion

Enormous deposits of gypsum are to be found in various parts of Nova Scotia. Many of these deposits are very pure in quality and the mineral is one of the most important mineral resources of the province. In tonnage production of gypsum in Nova Scotia far exceeds that of any other province; output in 1931 was 707,817 tons valued at $878,487.

Restricted building activity has naturally found reflection in demand for gypsum which plays an important part in manufacture of certain building materials chiefly wallboard. In 1928 production in the province totalled 1,013,257 tons but steady declines have been recorded each year since that date.

The largest gypsum operation is conducted by the Canadian Gypsum Co. at Wentworth, Hants County, near Windsor, where two main quarries are operated. While a part of the raw product is manufactured in the province large quantities are exported to the United States.

Deposits Well Located

A fact which has made the Nova Scotia gypsum deposits of outstanding importance are their geographical location. Huge beds of the mineral of pure quality and frequently 100 feet in thickness are situated at the water's edge making for easy shipment by boat.

Another large producer is the Atlantic Gypsum Co. located at Cheticamp, Inverness County. This mine had an output of 158,106 tons last year; various innovations in handling have improved efficiency of this unit in recent years.

Gypsum mining ranks second only to coal mining in Nova Scotia and any improvement in the construction industry is expected to bring about an increased demand for this valuable product of the province.

MOTOR VEHICLES GROW IN NUMBER

Nova Scotia Secures Larger Revenue From Licenses and Taxes

Nova Scotians purchased 5,134 new automobiles last year, bringing total registrations up to 36,431. In addition there are a number of trucks, motor cycles, etc., which give an aggregate registration of 43,735 motor vehicles. This represents a slight increase over that reported in 1930, while for the Dominion as a whole registrations declined.

Revenues received by the province from motor vehicles last year totalled $1,189,612, to which must be added a gasoline tax income of $878,481, making a total of $2,067,694

In the breakdown of revenue it is noted that passenger automobile licenses provided $807,446; motor truck licenses, $221,098; and motor cycle licenses, $2,336. Chauffeurs' licenses contributed $39,150, while other drivers' licenses added $37,914 to the provincial treasury. Dealers paid $7,382 for their licenses. Mileage tax on motor buses and trucks brought in $1,708 and fines $14,124. Transfer of cars produced a revenue of $22,894, and miscellaneous income $21,352.

Estimated Potato Crop 39,249,000 Cwt. in 1932

Provisional estimates indicate yield of the Canadian potato crop for 1932 as 39,249,000 cwt. compared with 52,305,000 cwt. in 1931, according to a report by the Dominion Bureau of Statistics, Ottawa. This represents a 25 per cent decline caused by yield dropping from 90 to 78 cwt. to the acre and by 48,226 fewer acres planted.

Estimates of the 1932 turnip crop in Canada indicate an increase of 6,455,000 cwt. to a total of 35,847,000 cwt. compared with 1931. Hay and clover show little change, being estimated at 13,682,000 tons. Alfalfa increased from 1,388,000 tons in 1931 to 1,757,000 tons in 1932, according to these estimates, while fodder corn, at 2,825,600 tons, and sugar beets, at 450,000 tons, showed only small variations from the 1931 production.

Ontario Beet Growers Paid

Sugar beet growers in Ontario received close to a million dollars the other day from the Canada and Dominion Sugar Company of Chatham, as the initial payment on the 1932 crop.

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SEE DIFFICULTIES IN IMPOSITION OF 2 P.C. CHARGE

Cost to Policyholders of Proposed Import is $2,000,000

ADD TO PREMIUM

C. F. U. A. Proposal Would Reimburse Companies For Heavy Tax Burden

Executives of fire insurance companies in Canada are apparently divided on the question as to whether it would be possible to put into effect in this country the proposed 2 per cent surcharge on fire insurance premiums, The Financial Post learns.

This charge has been recommended by the Canadian Fire Underwriters Association as a means of recouping for the companies the increasing cost of taxation which has soared rapidly in recent years. No plans have been worked out as yet for the collection of such a tax but it is hoped that if the plan matures it will be sponsored by all companies in the fire and casualty field

Would Cost $2,000,000

Such a plan has already been discussed on numerous occasions by life insurance companies in Canada but no steps toward putting such an impost into effect have ever been brought into being. If successfully collected by all fire and casualty companies in Canada it would increase the cost of insurance to the policyholder by about $2,000,000.

Difficulties of imposing and collecting the 2 per cent charges are considerable, it is pointed out. From the point of view of the insured little difficulty is expected in collecting the extra sum which would be 2 per cent of the premium income, as the amount in each case would be comparatively small, but as between companies and agents many clerical and other difficulties are visualized.

For instance if the agent were to still collect his commission as a percentage of the premium, exclusive of the tax, a very considerable amount of double entry bookkeeping would be necessary to segregate one from the other and the agent would be required to do a lot of extra work for no additional remuneration. This might obviously lead to laxity in the collection of the 2 per cent charge and open the way for considerable trouble.

On the other hand if the agent's commission were to be figured on the total bill, inclusive of the 2 per cent surcharge, the policyholder might feel rightfully indignant and the company would gain considerably less than the amount of the tax by the time commission of say 25 per cent (or ½ of 1 per cent in this case) plus the extra clerical costs involved, were to be deducted.

Taxes 4.7 Per Cent

No figures are available from member companies of the association as to how the tax burden has increased in recent years but it is calculated that federal and provincial taxes now amount to approximately 4.7 per cent of the premium income.

In many countries such taxes are charged directly against individual policies but in each case this is done directly by the government and is possible because taxes are collected by one central authority. In Canada the federal government collects a 1 per cent tax on fire insurance premiums directly from the companies under the War Revenue Act. In addition each province collects taxes on premium income in varying amounts and also collects various other imposts of one kind and another. Then there are federal income taxes and a fire prevention impost.

Total taxes paid last year by federally licensed fire and casualty companies doing business in Canada, were roughly $2,500,000. This reflects only in part the addition of a 1 per cent tax imposed by the federal government in April, 1932.

U. S. Companies Worried

Canadian companies are not alone in wondering how to circumvent the problem of increasing insurance costs. The following paragraphs which appeared in the Wall Street Journal last week tell of higher costs being faced by both life and fire and casualty companies in the United States.

"A general trend toward higher fire, life and casualty insurance rates over the next several years is the inevitable outcome of present economic conditions in the opinion of actuaries of the leading insurance organizations.

"In practically every line of insurance, studies are being made of the effect on operations of the past two years of unprecedented economic travail to furnish guidance for future rate structures.

"The crux of the matter is that insurance costs have risen during the past three years and to safeguard the policy holders and the issuing companies an upward revision in rates must be undertaken.

"The insurance companies in common with all business have found it increasingly difficult to make premium collections and have sustained considerable loss through issuance of policies which are returned without collection of earned premiums. While such losses are unavoidable even in normal years they recently have increased to such an extent as to inspire a special drive on collections by many concerns.

"That factor alone is viewed so seriously by one insurance executive as to bring the suggestion by him of legislation to outlaw the practice of cancellation without payment of earned premium.

Premium Income Down

"Premium income of fire insurance companies also has been reduced considerably. New building construction is off about 67 per cent in the United States. Property owners also have taken into consideration reduced realty values and replacement costs, which has not been helpful to the fire underwriters.

"It is probable that automobile risk insurance will show a decrease of 15 per cent to 18 per cent from 1931.

"The probability of increasing insurance costs over the next several years is no new incident in the business, but merely a repetition of the cyclical influences which apparently affect that trade as they do other forms of industry.

Does Policy Loan Differ From Other Type of Loan?

Clear-cut Understanding of Loan on Insurance Policy Aids in Appreciation of Vital Contract

Reprinted from Monthly Bulletin of Travelers Insurance Co.

Why is it when a man borrows $5,000 from a bank he usually repays it promptly, either in installments or in a lump sum, whereas if he borrows $5,000 of the cash value of his life insurance he often allows it to run, or even surrenders his policy to extinguish it? Is there any essential difference between a policy loan and a collateral loan that makes it better business policy to repay one promptly but not the other?

It is true that if a man borrows a sum of money from the bank and makes no move to repay it, the banker may remind him of it and suggest that it might be a good idea if the loan were reduced a bit, whereas no one is in a position to compel a policyholder to reduce his policy loan.

Other than that, is there any difference ebtween the two that would justify the sacrifice of the policy to extinguish the policy loan, while the other would be paid off in the normal course of events?

The Old Story

"Yes," some men will tell you. "The man who has borrowed on his life insurance has lessened the amount of his protection to the extent of his loan. He's paying interest on the loan. He's paying a full premium on his life insurance. His total payments are out of proportion to the protection afforded his family."

Is this true?

Let's see how it figures out. Let's take two men both paying $500 a year for $20,000 life insurance, and both borrow $5,000—one from a bank on collateral; the other from his life insurance company.

Mr. A. goes to his banker with an unusual piece of collateral. It is a $10,000 security which was bought some years ago at a much lower price than at which it can now be obtained. It is also steadily increasing in value year after year. His banker lends him $5,000 at 6 per cent. The $300 interest payment on the loan plus the $500 premium on his $20,000 life insurance makes Mr. A.'s total interest and insurance overhead $800 a year.

Mr. B. borrows $5,000 from his life insurance company. To make the comparison more exact, and to make easier figuring, we will assume he pays 6 per cent, making his total interest and life insurance over-head also $800 a year.

"Yes, but Mr. B. is getting only $15,000 life insurance protection for his money, whereas Mr. A's life insurance policy is still intact," it may be suggested.

Let's look into this a minute.

Certainly if Mr. B. dies his life insurance company will first repay the loan against his policy and then pay the proceeds to his widow. It is true she will receive only $15,000.

But what about Mr. A.? If he dies, will his bank cancel the loan? No. His widow will be obliged to take $5,000 of the $20,000 paid under his life insurance to repay the loan at the bank. The banker will insist that that be paid after Mr. A.'s death. She will also net only $15,000 on his life insurance. As for the interest which Mr. B. pays his life insurance company; it is no more a part of the cost of his life insurance than the interest which Mr. A. pays his banker.

Last Line of Defence

In spite of the ease with which a loan can be made, a man's life insurance is the last thing on which he should borrow. When he borrows on his life insurance, he is borrowing from his widow and children. Unlike the banker, they will not insist that he repay the loan and the loan is likely to become a permanent impairment to his estate. Loans which are made for business purposes: for the purchase of securities, for the clearing up of other obligations, or even for the purchase of a home should be made on a business basis, whenever possible, because a man regards a bank loan as a temporary obligation against himself and puts into effect a definite plan for reducing it and eventually wiping it out. The ease with which a policy loan can be made too frequently tempts men to avail themselves of this money for purposes for which they would hesitate to borrow at a bank.

The cash value of your life insurance should be regarded as your last line of defense. It should be kept intact for the real emergencies when all other sources of money or credit are blocked. If drawn down for speculative uses, or because it is easier to borrow from the insurance company than elsewhere, it will not be available should the real emergency eventuate.

SEES FUTURE TREND TO INCOME PLANS

C. D. Devlin Discusses Life Insurance Outlook With Advertisers

The trend of life insurance in 1933 will be toward income for the family and income for the insured through the creation of larger estates and provision for future years, according to C. D. Devlin, superintendent of agencies of the Confederation Life in an address to the Life Advertisers Association of Canada last week.

With improvement in general conditions, he said, there will also be a definite trend toward group forms of insurance protection — group life, group sickness and accident, group annuities—as employers are now giving sympathetic consideration to forms of protection for their employees which are underwritten by insurance companies on a sound and scientific basis.

Companies in Good Position

The life insurance companies operating in Canada are in a position, Mr. Devlin pointed out, to continue to render to the public a service unexcelled in any country in the world. Every obligation of every life insurance company operating in Canada is paid in full on the day on which it becomes due, and every cheque of every life insurance company doing business in Canada has always been, and is still being, cashed for one hundred cents on the dollar.

"The trend, in 1933, will, therefore, without a doubt, be toward investment policies and pension plans, because the individual purchaser realizes that the diversification of investments of life insurance companies lead to safety and security, that the funds of life insurance companies are usually invested in long term securities, and that the majority of the investments now held return a higher rate of interest than can be secured in the investment market of today."

Licenses Issued

Yeomen Mutual Life Insurance Co. has been authorized to transact the business of life, accident and sickness insurance in Canada, in respect of policies issued by the Brotherhood of American Yeomen before May 1, 1932.

United Italian Tailors' Mutual Benefit Society has been licensed in Quebec to transact business as a mutual benefit society.

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Legal Decisions

Because he did not disclose that he had a wooden leg, when applying for automobile insurance, Oscar Martineau, of Montreal, lost his case against the British Colonial Fire Assurance Co. in Superior Court. Martineau was defendant in an action for $13,194 damages brought by Eugene Descary of Outremont as a result of an automobile accident in October, 1929.

Descary sued Martin on the grounds that the latter had sped across the intersection of Van Horne and Outremont Avenues, Montreal, and struck his car, overturning it, and causing injuries to his wife and himself. The court awarded damages of $8,000 to the plaintiff, and Martineau tried to have the insurance company joined to the action as defendant in guarantee.

The insurance company maintained that their policy did not cover any person who was infirm or an invalid and that Martin had not disclosed his infirmity to them when applying for insurance. Judge E. F. Surveyer upheld the insurance company stating that Martineau had not disclosed essential facts regarding his infirmity.

Alberta Life Risks Drop $5,465,679 During 1931

Life insurance at risk in Alberta at Dec. 31, 1931, showed a decrease of $5,465,679 to $385,534,554 from the previous year. The province admitted 23 insurance companies holding Dominion licenses into the province during 1931, none of which were fraternal societies, and had 13 companies withdraw from the field during the year, according to the annual report of the provincial superintendent of insurance.

At Dec. 31, 1931, there was a total of 315 companies licensed to do business in the province, of which 288 operate under Dominion licenses and 27 under provincial and foreign licenses.

Net premiums written on other than life insurance policies during the year, at $5,976,858, were $1,067,732 lower than in 1930, but this was more than offset by a decline of $1,475,090 to $3,825,418 in net losses paid in 1931.

A comparison of life insurance premiums, losses and insurance at risk at the end of 1931 compared with 1930 indicate that premiums increased by $20,115. Losses, however, increased by $1,392,328 over 1930 including death claims, matured endowments and other disbursements.

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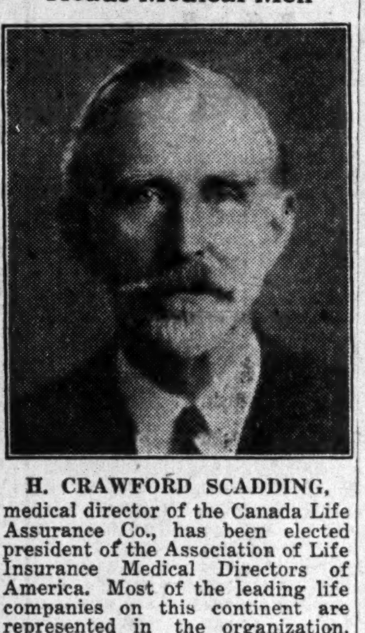

H. CRAWFORD SCADDING, medical director of the Canada Life Assurance Co., has been elected president of the Association of Life Insurance Medical Directors of America. Most of the leading life companies on this continent are represented in the organization, formed for the co-operative study of insurance medical problems.

FINANCING PLAN FOR INSURANCE LACKS INTEREST

Apathy Shown by Quebec Companies to Premium Installments

From Our Own Correspondent

MONTREAL. — Insurance premium financing appears to be making little headway in Quebec. Though the matter is a thoroughly live one in Ontario, indications are that it has been given little serious consideration in the neighboring province. For the most part companies and agents are reserving judgment in face of the problems involved in the introduction of this type of business.

"I have been approached on the matter," said one leading broker, "but, as yet, I have to be convinced of the efficacy of such a plan. To me the appearance of a finance corporation in our business would mean introduction of an unnecessary third party. My firm has been and still is willing to tide clients over a difficult period; that is, we have often arranged to pay a premium in full and accept installment payments. Our losses have been negligible and we have gained millions of dollars worth of insurance business. I fail to see why a finance corporation should be given this business which would entail a higher cost to the policyholder through payment of a service charge."

Might Attract Small Policy

Another insurance man admitted that the plan might be workable in the smaller type of business but held that it was unfeasible when it came to handling insurance of large industrial concerns. Banks which are interested in certain companies are the first to advance sums for insurance premiums, he claimed, while payments by insurance companies on claims are made to the trustee for the bonds.

Yet another opposed the plan on the grounds that it introduced an extraneous third party. His company, he said, had established definite policies in regard to collection of premiums which had proved entirely successful. If the business was to be obtained, he felt his company could handle it more successfully than a finance corporation. He referred to the address of Percy H. Goodwin before the National Association of Insurance Agents in convention at Philadelphia last month pointing out that the difficulties which had been indicated in that speech.

Traditions Prove Obstacle

Introduction of premium financing said one manager was fraught with difficulties in Canada. In the first place traditions of the older companies were held up as an obstacle, whatever the merits of the plan might be. "Installment financing," he said," has become a mania in recent years. Millions of dollars of credit have been extended in this way; the public has been oversold. Why extend it to the insurance business which already has its own credit evils? Insurance companies work on the basis that premiums are payable in advance. Should we eliminate that idea from the public mind after all these years?"

Other company officials appeared willing to consider a plan which would enable the assured to pay his premiums but another point was brought up. If the finance company intended to retain 20 per cent of the premium for the agent's commission would that not cause the companies to lose control of their agents? It was thought that the concern which paid the commissions would be looked upon as the employers and the agents would consider themselves agents of the finance company rather than agents of the insurance company.

Premium financing might attract an indifferent type of business was the thought put forward by another executive. The plan, while serving a real need in some cases, might tend to attract the very slow payer who frequently turns out to be a bad risk. "I regard the plan as a product of the times," he continued. "I am not definitely opposed to premium financing since it has not yet been given a proper trial in Canada. My understanding is, however, that this business has developed rapidly in the United States and certain phases are regarded with misgiving by eminent insurance men,"

ONTARIO FIRE LOSS DECLINES $903,165

October Improvement Not Characteristic of First 10 Months

Fire losses for October were very substantially reduced in both number of fires and in total loss from same, according to the report of the Ontario Fire Marshal. The loss in October this year decreased $903,165. being only $938,806 compared with $1,840,971 in October, 1931. Fires numbered 1,280 compared with 1,322 in the 1931 month.

Insurance losses from these fires also showed substantial improvement over October, 1931. The insurance loss this year was $825,800 compared with $1.520,470 in 1931.

During the first ten months of 1932 there has not been such a radical change as for October. Total losses have been $12,554,551 compared with $13,296,814 in the same period of last year.

Despite this decrease in total fire losses for the ten months, insurance losses are larger than in 1931 because more than the total improvement was due to reductions in losses on uninsured property. The insurance losses for the period were $10,974.195 compared with $10,578,518 in the same 1931 period, while losses not covered by insurance were only $1,580,356 compared with $2,708,296 last year.

Rule Deathbed Statement Can Change Beneficiary

Sir William Mulock, Chief Justice of Ontario, recently made a ruling in the Appeal Court at Osgoode Hall, Toronto, that "a man in his dying moments may make a declaration by which his wife becomes his beneficiary under any insurance policy he may have on his life, and that money never becomes part of his estate."

The appeal of Mrs. Elizabeth Dumart, defendant in an action brought against her as executrix of the estate of the late W. H. Dumart, of Kitchener by the Royal Bank of Canada, was allowed. The action was for moneys she had received under an insurance policy on her husband's life.

Two Quebec Companies In Insurance Merger

Two Quebec-licensed fire insurance companies, La Mercantile of St. Hyacinthe, and La Moderne of St. Remi de Napierville, have merged their interests. Head office of the merged companies will be at St. Hyacinthe and business will be done under the name of La Mercantile.

Policyholders of the La Moderne company will be automatically insured in La Mercantile through the merger.

FIRE·MARINE·AUTOMOBILE·ACCIDENT·SICKNESS·BURGLARY·GUARANTEE
BRITISH AMERICA ASSURANCE COMPANY
ESTABLISHED A·D·1833

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WRITING FIRE AND AUTOMOBILE INSURANCE AT COST, ASSETS $4,616,449.70
ALL POLICIES NON-ASSESSABLE, PAYING DIVIDENDS RANGING FROM 20% TO 30%

Operating in Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia
FIRE AUTOMOBILE WINDSTORM
Insurance in force over $250,000,000.00
Total Assets over 3,000,000.00
Agents required in Ontario
Write Eastern Branch, 2 Toronto St., Toronto, Ont.
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Head Office—Wawanesa, Man.

PROTECTION
The Independent Order of Foresters is a fraternal benefit society operating under a lodge system and existing for the purpose of affording to men and women the completest protection at the minimum cost.
This protection covers practically every phase of family life. In addition to the protection afforded through its Insurance and Sick Benefit Departments, a number of practical fraternal benefits are available to its members.
Assets — $49,000,000.00
Independent Order of Foresters
FRANK E. HAND, Supreme Chief Ranger
HEAD OFFICE: TORONTO, CAN.

ALBERTA GETS MORE REVENUE; CUTS DEFICIT

Figures For Half Year Show Improvement of $2,600,416

A deficit of $389,415 is reported by the Alberta government for the six months ended September 30, 1932, the first half of the current fiscal year. This compares with a deficit of $2,989,831 in the corresponding period of 1931. Improvement shown is the result of an increase of $2,716,166 in receipts and a reduction of $424,249 in expenditures. This resulted in a reduction of $2,600,416 on the deficit shown for the first half of the 1931-32 year.

Taxes yielded the province an increase of $1,149,444 over the corresponding period of 1931, and this gain represents in a large part the proceeds of new or created taxation. The gain is partially offset by decreased revenue from amusements and pari mutuel taxes. The new provincial income tax, the largest item on the list, accounts for $551,316 of the total revenue. This is the first announcement of receipts from this tax and indicates that receipts will be considerably under the estimated amount. Net profits of the Alberta Liquor Control Board increased by $12,471 or a total of $661,478 in the half year. Increases in revenues included $84,595 on real and personal property taxes, an increase of $161,628 from succession duties and an increase of $59,761 from revenues under the Corporation Taxation Act while increased revenue under the fuel oil tax was $13,639. Receipts from the Dominion treasury show an increase of $281,215 chiefly due to increase of $242,190 in old age pension reimbursements and $36,362 in subsidies. Licenses show a net increase of $285,257 entirely due to increased rates on automobile licenses. Salary contributions from ministers and members of the civil service amounted to $86,125. The Alberta wheat pool provided $258,912 in interest. The refund account shows a net increase of $413,599 thereby offsetting some of the increase in revenues.

Funded Debt Higher

At September 30, the public debt of the province net funded and unfunded was $143,690,518 representing an increase of some $2,000,000 over June 30. Against this additional debt the province has $2,204,000 to its credit in London, the balance of the proceeds of the June debenture issue awaiting favorable exchange conditions for transfer here. With allowance for realizable or income producing assets the province's net general debt is put at $96,961,641 which is further reduced by general and intangible assets totalling, with provision for bad debts $84,321,569, and leaving a balance of $12,640,071, as the province's general debt. The guarantee made by the government to irrigation and grain districts, co-operative organizations, universities, schools, municipal districts, etc., were outstanding to the amount of $11,695,247 of which $6,641,500 is on account of irrigation districts in Southern Alberta.

Premier Brownlee, of Alberta, commenting on the semi-annual report of the province stated that in view of the conditions resulting from lower wheat prices and lacking the five cents a bushel wheat bonus, the report was reasonably satisfactory. He did not overlook the fact, however, that there are extremely difficult problems still ahead.

Insurance Inklings

J. M. STRATON has been appointed city manager of the London Life Insurance Company's industrial branch in Montreal.

C. F. A. HOLMES, C.L.U., formerly city manager of the London Life Insurance Co. in the Montreal industrial branch, has been appointed manager of the company's industrial branch at Winnipeg.

TORONTO AGENCY of the Ontario Equitable Life and Accident Assurance Co. has moved to larger offices in the Metropolitan Life Building, Toronto. The agency is in charge of Gordon Rutledge and G. T. Baker.

A Man's Own Future Ought to Give Him Some Concern
YET, many a man, in safeguarding the future of those he loves, has neglected to protect his own.
Such selflessness is unnecessary.
A Sun Life Endowment Policy will provide the required security for your family through the years, and at its maturity will still be worth 100% Cash Value.
An additional attraction is the liberal dividend earned each year which may be applied in one of several ways.
Let a Sun Life Representative work out a plan to meet your own special requirements.
SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE-MONTREAL

THE PRUDENTIAL ASSURANCE COMPANY LIMITED OF LONDON ENGLAND
LIFE FIRE CASUALTY
Total Assets of all Branches Exceed - - 1240 Million Dollars
Claims Paid Exceed - - - - - - - - 1850 Million Dollars
HEAD OFFICE FOR CANADA DOMINION SQUARE BUILDING MONTREAL
The Largest Insurance Organization in the British Empire
Established 1848

A Policy is Considered a COVENANT by The CANADA LIFE Assurance Company
Established 1847

SOLID AS THE CONTINENT
At a time when people think primarily of security and when there is such vital need for protection against the future, Life Assurance is the best and in most cases the only means of securing it.
ESTABLISHED 1881
SOLID AS THE CONTINENT
A MUTUAL COMPANY
ALL PROFITS TO POLICYHOLDERS
The North American Life; a purely mutual company, returns all profits to policyholders and has $118 for every $100 liabilities. It is one of the strongest financial institutions on the Continent.
ASSETS $46,855,113
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NORTH AMERICAN LIFE

"A Central Bank for Canada"
An opportunity for every good citizen to inform himself on one of the vital issues of to-day
IS CANADA'S banking system antiquated and does it need to be revitalized by a central bank? Or is Canada's wonderful record of no bank failures in this, the greatest depression in history, proof that we do not need any such radical change in our banking system?
This is one of the big questions of the hour in Canada. Fiercely is it being debated in and out of Parliament. Most of the debate is carried on by those who have no adequate conception of their subject.
Recently The Financial Post published a series of articles on "A Central Bank for Canada" that made clear all the essential facts about central banking, and its possible application in Canada. It was a simple statement of the pro's and con's written for the average business man reader.
These articles were written by a recognized student of the problem, A. F. W. Plumptre, lecturer in money at the University of Toronto.
These articles have now been published in a small paper-covered book. Copies may be obtained at the nominal cost of, each, 25c.
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Current Events in Banking World

FINANCE FACTORS AFFECTING TREND INTEREST RATES

Weakness of Sterling Quickly Paralleled by Canadian Funds

Financial factors are the most important influences on the present and near future movements of sterling and the Canadian dollar. The latest decline of sterling toward the three dollar mark and the sympathetic drop of the Canadian dollar are chiefly attributable to transfers of funds for financial and psychological reasons rather than to commercial influences, although the effects of such currency movements on trade are important.

One reason for weakness of Canada's dollar in recent months and on the latest movement is that the usual stream of United States funds into Canada for investment has dried up. Evidence of this is seen in the flotation of Canadian government and municipal loans internally, and, despite the favorable exchange rate, the small interest on the part of United States investors in Canadian securities.

Influence of Sterling

Sterling's weakness, which is largely due at present to the uncertainty of the war debt situation and speculative influence, has had a profound effect on Canadian currency. The pound has been dragging the Canadian dollar with it in its downward course. Payment of the British debt installment on Dec. 15 in gold would probably lift the pressure on sterling, at least temporarily.

Among financial influences tending to weaken the position of the Canadian dollar are the substantial obligations of Canadian individuals, corporations and governments in the United States, consisting of debts and interest payments. Demand for United States funds to meet such payments in recent years have been extensive during the closing weeks of the year, and this does not improve the immediate outlook for the Canadian dollar.

As the wheat exporting trade normally becomes duller after the close of the calendar year, this is also a weakening factor on Canadian exchange. However, it appears that Canadian exports of grain may be more active in December and January than is usual because of possible better demand in the United Kingdom than last year and the active competition of Argentine and Australian wheat which it is believed will shortly revive international trading.

Opinion of Exporters

Despite the low levels reached by the Canadian dollar in recent weeks, some Canadian exporting groups would like to see it at a lower price. This, it is believed would aid Canada in her export trade, notably in wheat, to the extent that it would allow price competition with exporters such as Australia and Argentina whose currencies are relatively much lower than the Canadian dollar.

In opposition to this view of the best level for the Canadian dollar are those who must export funds to pay debts, chiefly in the United States. This includes Federal, provincial and municipal governments, and corporations having debt services to meet in the United States, to whom any additional discount on the Canadian dollar would mean a substantial increase in cost of their debts abroad.

Canadian importers are also anxious to see our dollar at a high level because it allows importation of foreign goods at favorable prices in Canadian funds. Some of this advantage is lost, of course, in special duties, such as Canada levies against imports under the depreciated pound sterling.

Importers' Opinions

Canadian manufacturers in many cases feel that the special duties or higher levels for Canada's dollar are essential to preserve their tariff preferences against the influence of depreciated foreign currencies. However, the shoe is on the other foot of those Canadian manufacturers who are exporters of their products, because strength in the Canadian dollar tends to increase their export prices in those foreign countries operating on depreciated currencies.

The effect of further depreciation of the Canadian dollar is, then, in favor of our exporters of raw and manufactured products and against Canadian importers of merchandise and Canadian debtors abroad. The last class, as mentioned above, is probably the most important financially, including as it does a large proportion of our total government and corporate debt.

Subject to the divergent opinions of these interested groups, the Canadian dollar has been standing rather aloof from other leading commercial currencies of the world. It is well above the chief non-gold-standard currencies in price and well below leading gold standard currencies, thus perhaps by chance, achieving something of a balance of the opposed views mentioned above.

The prospect for Canadian dollars and for sterling is not for immediate improvement, except possibly for the speculative and psychological influences. Although Britain's normally heaviest import season and Canada's normally heaviest export period are passing, the financial factors in the situation seem to weigh against substantial improvement in the British and Canadian currencies in the near future.

Want 4 Per Cent Loans

Approval has been given by the New Westminster, B.C., city council to the resolution of the Winnipeg city council asking the Dominion Government to amend the Bank Act to permit banks to loan money for municipal undertakings at a rate not exceeding four per cent.

Pacific Mills Extends Plant

The programme of expansion being carried out by Pacific Mills Ltd., a Vancouver concern with a pulp and paper plant at Ocean Falls, B.C., will involve an expenditure of $350,000, according to latest information concerning this company's plans for diversification of products.

Interest Rate View Distorted in Canada

Dominion Government Bonds Once Sold on 2.84 Basis—Banker Admits Probability of Lower Rates Here

The other day a conservative head office official of one of the leading Canadian banks made the rather amazing statement that he would not be surprised to see the 3 per cent interest rate on savings deposits lowered in Canada in the not too distant future. He also admitted that he did not think it impossible that Canadian banks might change their traditional policy of a fixed interest rate to borrowers and lenders alike, and adopt a modified plan which would permit of periodic revisions in interest rates on a somewhat wider scale than is now the case. A fixed rate of 3 per cent has been in force now for over 35 years.

Such sentiments in official Canadian banking circles may seem almost like heresy but they are probably an indication of far-sightedness on the part of those who sense that the high interest rates of the Great War era are rapidly becoming a thing of the past and that the period of declining and considerably lower interest rates which is apparently in store for us, may force much that is now considered stable and traditional, to be thrown overboard.

Bankers' Views

The opinions of leading Canadian bankers in regard to long term trend of interest rates were clearly expressed a month ago when the 4 per cent government loan was being floated. They appear to be unanimous in believing that a period of lower interest rates is coming. A typical opinion is that expressed at the time by Morris W. Wilson, general manager of the Royal Bank of Canada.

"Because of the unusual conditions which have prevailed in the world's money markets within the last twelve months, a return of 4½ per cent on investors' funds would have been regarded as somewhat small only a comparatively short time ago. Today, it can be regarded as entirely satisfactory. and tomorrow, such a yield on gilt-edged government securities may not be obtainable.

"Because of quiet business conditions throughout the world, and the easy money policy being pursued in Great Britain and the United States. there is a constantly increasing pressure on the part of capital seeking safe employment. At the present time, the bonds of our government are selling in London on less than a 3½ per cent basis. I see nothing which will prevent a spread of this movement in due course, with resultant benefits to the price of gilt-edged securities in our domestic market. Even now, I understand that all Dominion government obligations are selling above their original issue prices."

Pressure From Within

The sheltered 3 per cent rate on savings deposits in Canadian banks will probably be one of the last strongholds to yield before the declining price of money and from opinions gleaned by The Financial Post from various sources any change that might come about in this regard will be a consequence of economic forces which are already making themselves felt, rather than an arbitrary move designed to stimulate business by the much-talked-of easy money route.

In other words, banks—and particularly banks in Canada—don't move interest rates up and down simply in the hope that by so doing they will stimulate business or deposits as the case may be. They move them only because relentless monetary pressure forces them so to do, and it is well worth keeping in mind that as yet there has been nothing like enough pressure exerted to budge the loaning policy of Canadian banks, or the traditional rate of 3 per cent to depositors.

What has happened though — and this is of perhaps equal importance for those who are making long term commitments—is that discerning financial minds already see the handwriting on the wall and are of the opinion that the time is not far distant when all countries (and particularly Canada) must revise their ideas of what is an equitable price for money.

Canadian Perspective Distorted

Unfortunately the majority of investors in Canada today have probably had their perspective distorted by war and post-war interest rates which have been in vogue here during the period when most domestic investments have been made. Thus it may surprise many Canadians to learn that Canada has still among her funded debt obligations a 50-year loan due in 1947 and which was sold on a yield basis of 2.84 per cent. It is true this represents the most favorable basis upon which Canada has ever borrowed but it serves to emphasize the fact that the prevailing rates of interest on high grade government bonds prior to the war was between 3 and 4 per cent and that the 5 and 5½ per cent coupons of war and post-war years look extraordinarily high in the long term picture.

A good example of the current estimate of the long-term course of interest rates which prevailed about the beginning of the century was the establishment of 3½ per cent as the reasonable average interest return that insurance companies might earn upon their reserves, this rate having been fixed by the government after consultation with leading financiers throughout the country. Opinions were obtained from bank presidents and other financial executives and almost without exception, according to a competent observer, the opinion was expressed that 3 per cent was the maximum interest return that might be procured with adequate safety during the following twenty or thirty years. Although the rate was finally fixed at 3½ per cent, many leading companies still adhered to the 3 per cent basis.

Even as recently as a decade ago when a rate of interest was being determined upon as a reasonable rate for the British war debt to the United States, a 3½ per cent figure was taken and subsequent experience may prove (if indeed it is not already proving) that this was probably a high rate for a 50-year obligation of this sort.

Cycle of Interest Rates

The ordinary cycle of events which leads to a change in the price of money is comparatively simple to trace. The difficulty is of course that most "cycles" in actual practice are anything but "ordinary." The obvious starting point is short term or call money rates in the money markets of the world. Currently there is such a plethora of this type of money in the world, that recently in New York, the average yield on notes, certificates, and bills with three months maturity or less fell to zero. In some cases the premium paid by dealers for short-term securities about to be refunded has been so great because of desire to secure large allotments of new issues that yields have fallen as much as 10 per cent below zero.

In Canada of course there is no money market comparable to the call money markets of New York and London, and as a result a comparatively even rate of between 5 and 7 per cent is charged to borrowers. Thus one leading Canadian bond house reports that in the past decade there have only been three changes in the price at which they could borrow money from the bank. This outlet for funds has almost dried up however with the result that banks have been forced to seek other outlets for their liquid resources namely high grade government securities which form the second line of banking credit or reserves.

Government Bonds Affected

What has been happening to interest rates in this realm is obvious to even a superficial observer. Already conversion operations conducted during the past year have shaved from between 1 and 2 per cent off the interest charges of leading world countries. The spectacular operation of the British government which cut 1½ per cent from the war loan interest burden and saved something over $80,000,000 annually, merely dramatized what had been going on more quietly in many countries for some time. In Canada the offering of a 4 per cent coupon in the recent government loan was of first-rate significance.

Once government interest rates on high grade government bonds are affected it is obvious that high grade bonds in industrial fields will feel the pressure. At the moment there is little or no demand for this type of security since there is comparatively little confidence in the financial and industrial outlook and furthermore there are still, in this country at least, many good opportunities yet available for profitable investment in government securities at higher rates. As these gradually dry up the broader sphere of bond yields will be affected.

Effect on Banks

The effect of changes of this sort on banks must of course be obvious. For one thing, if industrial borrowers found themselves able to fund their bank loans on a 5 per cent basis or better, they would not long continue to pay 6 or 6½ per cent for accommodation from the banks and the pressure of finding a new outlet for money thus released, might in turn force interest rates to commercial borrowers to lower levels. This situation added to reduced earnings from government securities and other liquid assets might in turn find a reflection in lower interest rates on savings accounts if the pressure were strong enough to overcome the traditional fondness of past thirty years for a 3 per cent savings deposit rate.

Editor's Note: This is the second of several articles on the question of interest rates. Subsequent articles will appear in following issues of The Financial Post.

Livestock Receipts Show Gain

Livestock receipts at the Moose Jaw stock yards during the first ten months of the year number 244,338 as compared with 219,095 for the similar period of last year. With the 1931 figures in brackets, receipts were: cattle, 37,420, (38,723), calves, 3,409, (4,445), hogs, 122,434 (104,302), sheep, 71,506, (56,037) and horses, 9,569, (15,588).

Bank of Montreal Raises Ratio of Liquid Assets

Contraction of Business Reflected in Lower Deposits and Loans — Holdings of Securities Register Increase — Cash Position Stronger

From Our Own Correspondent

MONTREAL. — Percentage of quickly available assets to public liabilities show an improvement, total assets are slightly lower and current loans reveal a moderate contraction according to the annual statement of the Bank of Montreal for the fiscal year ended October 31, 1932. Liquid assets total $439,768,506 compared with $417,406,508 and were equal to 63.46 per cent of liabilities to the public against 58.11 per cent at the end of the previous year.

Total assets at the end of the year were $769,166,272, a decrease of $25,000,000. Call loans abroad were $20,071,135 against $28,252,802 and call loans in Canada were down $4,000,000 at $5,157,690. A new item, bankers' asseptances, totals $100,603.

Bond Holdings Higher

As is to be expected, principal accounts in the quickly available reserves are represented by government bonds and other bonds and debentures totalling $266,729,664 up from $236,433,817 a year ago. Cash on hand and in central gold reserves is higher by over $1,000,000 at $84,976,182. Reflecting restricted business activity current loans at $302,931,269 show a decline from $348,525,148 at the end of the previous year. Bank premises are unchanged at $14,500,000 and real estate and mortgage are slightly lower at $1,721,771.

In liabilities, deposits at $648,832,663 have receded from $669,047,251 in the previous year. Notes in circulation total $34,102,870 compared with $38,028,370 and letters of credit outstanding are lower by $600,000 at $8,343,722. Capital, surplus and undivided profits and reserves totalled $76,160,954 against $76,192,604. Total assets of $769,166,272 compare with liabilities to the public of $693,005,318 leaving a surplus of $76,160,954.

Profits Show Decline

Profit and loss statement shows profit of $4,663,100 compared with $5,386,380 in the previous year. During the year dividends totalling 11 per cent were paid on the capital stock compared with 12 per cent in the previous year. After reservation for bank premises and taxes, profits last year were equal to 11.40 per cent on the stock compared with 12.43 per cent in the previous year. Before deductions for these reserves profit was equal to 12.92 per cent against 14.96 per cent on the same basis in the preceding period.

Following is a comparison of profit and loss for the past two years ended October 31:

	1932 $	1931 $
Net profit	4,663,100	5,386,380
Less:		
Dividends	3,960,000	4,320,000
Bank premises	100,000	300,000
Taxes	457,671	610,000
Surplus for year	145,429	156,380
Add prev. surplus ...	1,103,426	947,047
Balance forward	1,248,856	1,103,426

Five Closings During October Continue Trend

Only five branch banks were closed in Canada during October compared with 11 closings during September this year. The closings however indicate continuance of the trend that has been in evidence for some months.

The Banque Canadienne Nationale closed two Manitoba sub-branches during October, one at Choritz and one at La Broquerie, The Bank of Commerce also closed a Manitoba branch at Bradwardine.

The Dominion Bank closed its branch at Centre Island, Toronto, as is usual at the close of the summer season. The Bank of Montreal closed its branch at Deseronto, Ont. thus bringing the total for the month up to five, and total closings of branches of all Canadian chartered banks up to 168 since Dec. 31, 1931.

Total branches of all Canadian banks now number 3,979 in Canada, Newfoundland and elswhere.

DOM. NOTES ISSUED UP 5% IN OCTOBER

Report Does Not Include $35,000,000 Advances Under Finance Act

An increase of $8,164,080 was shown in Dominion Notes issued at Oct. 31, compared with notes issued at Sept. 30, 1932, according to the report of the Department of Finance, which is signed for the first time by W. C. Clark, the new deputy Minister of Finance. This is a 5.33 per cent increase. The statement does not include the $35,000,000 of advances made under the Finance Act as a reflationary measure which was issued in the first week of November.

The gain was achieved by increases of $4,500,000 in notes issued under the Finance Act and $3,664,080 issued under the Dominion Notes Act, the latter being covered dollar for dollar with gold. Thus gold held against notes under the Dominion Notes Act increased by exactly the same amount as the increased note issue under this legislation. Increases in issues under the Finance Act are customary at this season.

The increase in note issue was more than included in the increase in the issue of $50,000 legal tender notes for banks for the month. These notes were outstanding to an increased extent of $8,250,000 at the end of October.

Changes in amounts of notes outstanding in smaller denominations were of minor nature.

Gold holdings of the Department of Finance at Oct. 31, 1932, were as follows:

Gold Held by Minister of Finance at Oct. 31, 1932:

Against savings bank deposits (10% on $23,123,160) under Savings Bank Act	$2,312,316
Against notes as required by the Dominion Notes Act, 1927	70,301,956
In excess of statutory requirements	874,231
	$73,488,503

Foreign Exchange

CANADIAN dollars continued their downward course in the week ended Nov. 28. The value in New York reached a low of 83⅝ cents and closed at 84 cents on Nov. 24. This latest decline is characterized as sympathetic with the pound sterling which made a new record low in New York on the same date.

War debt uncertainty continues to cause heavy pressure on sterling at this, its normally weakest, season of the year. In addition to pressure of sales of sterling from commercial sources, speculation in currencies has played against the pound, while nervousness of those holding British funds has caused some abnormal withdrawals

* * *

THE outlook for Canadian dollars and sterling in the next few months is the important consideration. Financial factors will probably exert greater influences than anything else on these two currencies during immediate future.

In recent years Canada appears to have required substantial purchases of United States funds toward the end of the year to meet obligations in that country. Britain's position on war debts and probable delays of commercial influence do not seem favorable to immediate improvement for the pound. The prospect seems to be for strength in United States dollars, at least until the end of the year.

FOREIGN EXCHANGE
New York Funds

	High (Premium) %	Low %	Last Year High (Premium) %	 Low %
Nov. 22 ...	16 1-8	15 3-4	13 5 8	13
Nov. 23 ...	16	15 5-8	14 1-4	13 7 8
Nov. 24 ...	16 1-2	16 1-8	14 1 4	13 3-4
Nov. 25 ...	18 1-8	16 1 2	14 1-4	13 7-8
Nov. 26 ...	18 1-8	17 3-4	14 5-32	14 1-8
Nov. 28 ...	19 3-4	18 1-4	15 3-4	14 1-4

STERLING, FRANCS AND LIRE
Close Demand in New York

	Sterling	Francs	Lire
Nov. 22 ...	3.26 7-8	3.91 5-16	5.11 3-8
Nov. 23 ...	3.27	3.91 1-8	5.10 13-16
Nov. 24 ...	....	....	....
Nov. 25 ...	3.21 3-4	3.91 7 16	5.10 1-2
Nov. 26 ...	3.22 1-8	3.91 5-16	5.09 3 4
Nov. 28 ...	3.17 9-16	3.91 1-16	5.09 1-4

Close Demand in Toronto

Par		Nov. 14	Nov. 21	Nov. 28
5.26	Italian	5.78¾	5.93	6.05¾
23.80	German	26.85	27.52½	28.23½
13.90	Belgian	15.64	16.08	16.44
49.80	Japanese	23.73	24.04	24.96

Bank Chat

The Canadian Bank of Commerce announces the following changes in connection with branches

ALTON, ONT., sub-agency to the Orangeville branch will be open for business on Thursday only of each week, instead of Monday and Thursday, commencing Nov. 25.

BASSWOOD, MAN., sub-agency to the Minnedosa, Man., branch will be discontinued on Nov. 30.

COALDALE, ALTA., branch will be closed on Nov. 30 and the business transferred to the Lethbridge branch.

GRANDVIEW, MAN., branch, commencing Dec. 2, will be operated as a sub-agency to the Gilbert Plains branch, and will be open for business on Monday, Wednesday and Friday of each week.

RICETON, SASK., branch will be closed on Nov. 30 and the business transferred to the Milestone branch.

The Royal Bank of Canada has closed its branch at Beamsville, and has transferred the business of the branch to the Canadian Bank of Commerce, Beamsville.

The Province of Ontario Savings Bank branch at Aylmer, Ont., has moved into new quarters at John and Talbot Sts., where its modern banking office has just been completed.

FRANK M. HACKING, of the head office staff of the Bank of Montreal, died in Montreal on Nov. 20.

E. WINN FARWELL, formerly manager of the Sherbrooke, P.Q., branch of the Canadian Bank of Commerce, died at Sherbrooke on Nov. 15.

Weekly Bank Clearings

Eastern Cities	Nov. 26, 1931	Nov. 24, 1932
Halifax	$ 2,381,398	$ 1,825,220
Saint John	2,099,454	1,373,731
Moncton	703,482	651,644
Sherbrooke	590,525	487,450
Quebec	5,287,987	3,795,838
Ottawa	6,365,013	4,264,704
Montreal	92,058,104	73,676,221
Kingston	735,424	472,659
Peterboro	681,854	482,978
Toronto	85,406,018	74,101,650
Hamilton	4,081,311	3,309,165
Kitchener	931,689	784,668
Brantford	882,736	689,023
London	2,599,401	2,057,362
Chatham	534,954	535,116
Windsor	2,179,278	2,378,059
Sarnia	471,800	432,216
Sudbury	604,481	401,982
Western Cities	**Nov. 26, 1931**	**Nov. 24, 1932**
Fort William	$ 749,566	$ 783,625
Winnipeg	67,973,686	42,653,077
Brandon	350,561	272,855
Moose Jaw	628,264	494,361
Regina	3,883,833	3,401,953
Saskatoon	1,899,848	1,398,176
Prince Albert ...	388,026	254,868
Edmonton	4,337,971	3,194,378
Calgary	7,392,435	5,839,080
Medicine Hat	210,003	201,700
Lethbridge	334,903	337,459
New Westminster	498,347	364,027
Victoria	1,553,436	1,197,958
Vancouver	14,623,026	13,039,398

Banker Will Give Views On Canadian Central Bank

Fashions change in banking just as they do in millinery and architecture.

Since the war a central banking fever has swept across the world and now almost every major country in the world boasts such an institution. Canada stands almost alone in this respect, but within the past few months the question in this country has changed from one of purely academic interest to a live political and national topic. At least two political parties stand in favor of some such institution, while banking officials are now, for the first time, taking a public stand in opposition. When the decennial revision of the Bank Act takes place the major item on the agenda will undoubtedly be, whether or not Canada should have a central bank.

Already The Financial Post has published a splendid series of articles by A. F. W. Plumptre, lecturer in money at the University of Toronto, in which something of the history, practice and pros and cons of central banking, as applied to Canada, have been set down. They have provided a valuable contribution to this important problem and have already been reprinted in booklet form.

Next week there will begin in The Post, the first of a series of articles by a leading official of one of Canada's largest chartered banks in which the proposal for a central bank will be discussed purely from the viewpoint of a Canadian banker. Further articles will follow in subsequent weeks and will offer readers of The Post an exceptional opportunity to learn at first hand the viewpoint of Canadian bankers on this vital topic.

If desired, The Financial Post will be glad to make special arrangements for subscribers to receive extra copies of the issues containing these articles or to ensure that copies be sent regularly to any address during the period during which they will appear.

Copies of the pamphlet containing Mr. Plumptre's seven articles may be obtained at 25 cents a copy.

Bank of Montreal Statement in Brief

An analysis by The Financial Post shows the following changes in important items in the statement of the Bank of Montreal for the bank's fiscal year ended October 31:

Profits down	13.4%
Liquid ratio up	9.9%
Share earnings down.	$1.03
Share earnings after write-offs down ..,	$2.04
Total deposits down..	1.2%
Circulation down	10.3%
Current loans down..	13.1%
Total assets down....	3.2%

Financing of Automobiles Down 16.6% in October

Automobile financing in Canada for new and old cars was 16.6 per cent lower in October than in September this year. according to the Dominion Bureau of Statistics. The change in October compared with same month of 1931 was a decline of 40.6 per cent.

The total number of cars financed was 4,357 in October, 1932, 5,018 in September, 1932, and 6,435 in October, 1931; and the amount involved was $1,580,935 in October, 1932, $1,896,507 in September, 1932, and $2,662,144 in October, 1931.

Financing of new cars amounted to $718,088 in October, 1932, $938,254 in September, 1932, and $1,324,452 in October, 1931. Financing of used cars amounted to $862,847 in October, 1932, $958,253 in September, 1932, and $1,387,692 in October, 1931.

Probe Starts of Bank Act in Regina

From Our Own Correspondent

REGINA.—Open sessions have commenced of the Saskatchewan Provincial Commission to investigate the operation of the Canadian Bank Act.

This commission was appointed by the government of the province in connection with the forthcoming revision of the Bank Act, and was given wide authority to hear representations and to make recommendations upon changes that might be desirable in the banking currency and credit structure of the country. The members of it are Peter McAra, of Regina, chairman; R. H. Milliken and G. C. Rooke, Regina; R. M. Pinder and A. M. Eddy, of Saskatoon; W. C. Paynter, Tantallon; John Morrison, Yellowgrass; Joseph Hill, North Portal, W. D. Yorkton; A. W. Irwin, Moose Jaw.

Wide Range of Subjects

The commission is likely to have placed before it a wide variety of proposals. Witnesses have discussed plans for establishing a central bank in Canada, and complete abandonment of a gold standard. One witness at Saskatoon the other day was in favor of paying a wheat bonus to farmers at the rate of twenty cents a bushel, payment to be made with new notes printed by the Dominion Treasury.

Other witnesses have devoted themselves to discussion of plans which might mean freer lending by the banks or by other institutions to be created whose requirements for security would be somewhat less stringent.

ROYAL BANK OF SCOTLAND
(Incorporated by Royal Charter, 1727)

Capital (fully paid) £ 3,780,192
Reserve Fund ..... £ 3,780,926
Deposits £49,416,177

General Manager
Sir Alexander K. Wright, K.B.E., D.L., LL.D.

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BANK OF MONTREAL
Established 1817

A presentation, in easily understandable form, of the Bank's
ANNUAL STATEMENT
31st October, 1932

LIABILITIES

LIABILITIES TO THE PUBLIC

Deposits . . . . *Payable on demand and after notice.*	$648,832,663.16
Notes of the Bank in Circulation . . . . . . *Payable on demand.*	34,102,970.00
Bills Payable . . . . *Time drafts issued and outstanding.*	380,186.44
Letters of Credit Outstanding . . . . . . *Financial responsibilities undertaken on behalf of customers (see off-setting amount [x] in "Resources").*	8,343,722.33
Other Liabilities . . . . *Items which do not come under the foregoing headings.*	1,345,776.16
Total Liabilities to the Public	$693,005,318.09

LIABILITIES TO THE SHAREHOLDERS

Capital, Surplus and Undivided Profits & Reserves for Dividends . . . . *This amount represents the shareholders' interest in the Bank, over which liabilities to the public take precedence.*	76,160,954.60
Total Liabilities	$769,166,272.69

RESOURCES

To meet the foregoing Liabilities the Bank has

Cash in its Vaults and in the Central Gold Reserves .	84,976,182.21
Notes of and Cheques on Other Banks . . . . . *Payable in cash on presentation.*	30,387,693.83
Money on Deposit with Other Banks . . . . *Available on demand or at short notice.*	31,727,248.52
Government & Other Bonds and Debentures . . *The greater portion of which consists of gilt-edge securities which mature at early dates.*	266,729,664.26
Stocks . . . . *Railway and Industrial and other stocks.*	618,288.17
Call Loans outside of Canada . . . . . . *Secured by bonds, stocks and other negotiable securities of greater value than the loans and representing moneys quickly available with no disturbing effect on conditions in Canada.*	20,071,135.74
Call Loans in Canada . . . . *Payable on demand and secured by bonds and stocks of greater value than the loans.*	5,157,690.80
Bankers' Acceptances . . . . *Prime drafts accepted by other banks.*	100,603.11
TOTAL OF QUICKLY AVAILABLE RESOURCES . (equal to 63.46% of all Liabilities to the Public)	$439,768,506.64
Other Loans . . . . *To manufacturers, farmers, merchants and others, on conditions consistent with sound banking.*	302,931,269.80
Bank Premises . . . . *Three properties only are carried in the names of holding companies; the stock and bonds of these companies are entirely owned by the Bank and appear on the books at $1.00 in each case. All other of the Bank's premises, the value of which largely exceeds $14,500,000, appear under this heading.*	14,500,000.00
Real Estate and Mortgages on Real Estate . . . *Acquired in the course of the Bank's business and in process of being realized upon.*	1,721,771.17
x Customers' Liability under Letters of Credit . . . *Represents liabilities of customers on account of Letters of Credit issued by the Bank for their account.*	8,343,722.33
Other Assets not included in the Foregoing . . .	1,901,002.75
Making Total Assets of	$769,166,272.69
to meet payment of Liabilities to the Public of	693,005,318.09
leaving an excess of Assets over Liabilities to the Public of	$ 76,160,954.60

PROFIT and LOSS ACCOUNT

Profits for the year ending 31st October, 1932		$ 4,663,100.60
Dividends paid or payable to Shareholders . .	$3,960,000.00	
Provision for Taxes, Dominion Government . .	457,671.05	
Reservation for Bank Premises	100,000.00	4,517,671.05
		145,429.55
Balance of Profit and Loss Account, 31st October, 1931 . . .		1,103,426.95
Balance of Profit and Loss carried forward		$1,248,856.50

CHARLES B. GORDON,
President

W. A. BOG,
JACKSON DODDS,
Joint General Managers

* * *

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FARMERS' CO-OP. TRADING PROFIT SHOWS DECLINE

Deficits on Creamery Branches Further Impair Capital

The United Farmers Co-operative Co. earned $10,977 on trading operations in the year ended September 30, 1932, as compared with $33,522 in 1931 but completed the year with a profit of $6,340 after writing off Livestock Pool organization expense and cost of organizing the North Bay Creamery. In 1931 due to losses incurred in liquidating the Ontario Grain Pool, amounting to $126,307, a deficit of $92,785 was shown. Impairment of capital account was increased to $79,553 from $52,321 during the last year due to inclusion of $34,483 representing the net operating deficit of creamery branches.

INCOME AND SURPLUS ACCOUNT
Years Ended Sept. 30,

	1932 $	1931 $
Net earn. from trading	10,977	33,522
Add: Liquid surplus Ont. Grain Pool	1,882	......
Less: W/o livestock Pool org. exp.	3,450	......
Organ. North Bay Creamery	1,890	......
Inc. tax prov.	1,000	......
Loss on liquid. Ont. Grain Pool	......	126,307
Net profit	6,519	*92,785
Add: Prev. surp.	52,322	40,464
Excess tax prov.	2,996	......
Less: Trans. to gen. reserve	2,263	......
Net oper. deficit creamery branches	34,483	......
Bal. forward	*79,553	*52,321

*Deficit.

Payables Are Lower

Working capital position was improved with current assets at $493,236 and current liabilities at $450,766, a ratio of 1.09 to 1 as compared with 0.96 to 1 in 1931. Bank loan was reduced to $287,080 from $340,350 while bank overdraft increased $4,600 to $79,064. Accounts payable are down to $74,565 from $97,575. Among current assets there is reduction in merchandise inventories to $302,408; cash is slightly higher at $6,518 and investments remain unchanged at $10,399. Accounts receivable are up to $165,158 from $157,411. Fixed assets have been reduced by $40,000 to $344,562 after provision for increased depreciation.

First mortgages outstanding on various properties have been reduced to a total of $82,900 as against $105,125 in 1931. There remains outstanding 70,060 shares of no par value stock carried at $361,709. General reserve fund has been increased to $18,584 from $10,000.

HAT GREENHOUSES EARNINGS LOWER

Working Capital Position is Maintained; Liabilities Low

Earnings of Medicine Hat Greenhouses Ltd. in the year ended July 31, 1932, were down to $13,964 as compared with $34,317 in the previous year. While provision for depreciation was reduced to 50 per cent of the usual allowance and preferred dividends were passed after the first half of the year there was a deficit of $8,958 for the year which was increased by additional payments of taxes. Surplus was reduced to $7,253 from $17,279. Working capital was reduced but a liquid position was maintained.

The income and surplus account of the company for the past two years is as follows:

Income and Surplus Account
Years Ended July 31

	1932 $	1931 $
Net earnings	13,964	34,317
Less: Deprec.	13,066	25,383
Inc. tax res.	......	727
Net profit	898	8,207
Less: Pref. divs.	9,856	24,010
Com divs.	......	5,000
Deficit for year	8,958	20,803
Add: Prev. surp.	17,279	40,582
Less: Addit. inc. tax	921	......
Alta. inc. tax	147	......
Trans. to cont. res.	......	2,500
Surp. forward	7,253	17,279

Current assets are shown at $80,564 of which $2,076 was in cash, $12,103 in accounts and bills receivable and $10,498 in investments at cost. Inventories are shown at $48,386. Current liabilities totalled $7,447 of which $3,647 was in accounts payable and $3,800 was on account of bills payable to the Royal Bank and bills receivable discounted. Fixed assets are valued at $292,307 of which $15,443 is for plant site and $276,864 is depreciated value of plant and equipment. Deferred charges total $2,777.

Reserves for appreciation in site and for contingencies total $15,947. There is 3,250 shares of $100 par value preferred stock and 20,000 shares of no par value common stock outstanding. No auditor's certificate is attached to the balance sheet.

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WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto & Curb Markets

WEEK ENDING NOVEMBER 28

Range 1932 High	Low	Divd. Rate in $	Yield in % Nov. 26		Sales	Close Nov. 21 (or last)	Week Ending —Nov. 28— High	Low	Close
3.25	.30	.	...	Abitibi	100	.35	.35	.35	.35
10	1	.	...	Do. pref.	270	1⅜	1½	1	1½
x105	80	.	...	Do. pref.	....	..	..	..	..
80	80	7	...	Acme F. D'y, p	....	80	..	..	..
5	4½	.	...	Agnew Surp.	....	5	..	..	..
70	60	7	11.7	Do. pref.	....	60	..	..	..
7¾	3½	.	...	Alta. Pa. Gr.	....	5	..	..	..
45	19	.	...	Do. pref.	....	25	..	..	..
3½	1½	.	...	Amal. Electric	....	1½	..	..	..
11	7	.	...	Do. pref.	....	7	..	..	..
x3½	2½	.	...	Anglo. N. Hold.	....	..	..	..	..
.30	.15	.	...	Asbestos	....	.20	..	..	..
1.00	.50	.	...	Do. pref.	....	.50	..	..	..
7	4	60c	9.8	Assoc. Brew.	4	6½	6½	6½	6½
72	65	7	9.7	Do. pref.	....	72	..	..	..
3	3	.	...	Assoc. Can.	....	3	..	..	..
x69	65	.	...	Assoc. Tele.	....	..	..	..	..
30	16	.	...	Atlan. Sugar	....	20⅝	..	..	..
120	92	.	...	Do. pref.	....	120	..	..	..
159½	127	10	7.7	Bank Can. Nat.	40	128	129	128	129
225	150	10	5.3	Bk. Montreal	49	190	190	185	190
275	238	14	5.3	Bk. N. Scotia	17	266	266	262	262
193	125	10	6.1	Bk. Toronto	44	168	168	165	165
10½	10½	.	...	Barcelona	....	10½	..	..	..
3	1	.	...	Bathurst Pr.	100	1½	1½	1	1
1½	½	.	...	Do. (B)	....	1½	..	..	..
x26	26	.	...	Bawlf Grain	....	..	..	..	..
20	15	.	...	Do. pref.	....	15	..	..	..
5	3	.	...	Beath & Sons	....	4	..	..	..
10½	3½	.	...	Beatty Bros. A	50	7	7	7	7
60	41	6	10.5	Do. pref.	....	57	..	..	..
3.50	.40	.	...	Beauharnois	2460	1.00	1.25	1.00	1.12
60	60	7	11.7	Belding Cort.	....	60	..	..	..
90	65	7	7.8	Do. pref.	23	90	90	90	90
120	75	7	7.4	Bell Telephone	940	97	97	93	95
4	2	.	...	Biltmore Hats	25	4	3½	3½	3½
63	50	7	11.1	Do. pref.	....	63	..	..	..
4	1½	.	...	Bissell, T. E.	....	1½	..	..	..
x97	88	.	...	Do. pref.	....	..	..	..	..
8	2	.	...	Blue Ribbon	25	3½	2½	2½	2½
25	9	2	11.1	Do. pref.	....	18	..	..	..
20	17	2	10	Brant. Cd. pf.	180	20	20	20	20
14¾	7½	.	...	Brazilian Tr.	10703	9¾	9¾	9	9½
1.00	.40	.	...	Brew. & Distil.	600	.75	.65	.65	.65
1	¼	.	...	Brewing Corp.	25	¼	¼	¼	¼
3½	1	.	...	Do. pref.	100	2½	2	1¾	1¾
11⅞	7½	80c	9.7	Brit. Amer. Oil	5759	8½	8⅝	8	8
3.50	.60	.	...	B.C. Packers	215	1.25	1.50	1.12	1.25
8½	4	.	...	Do. pref.	....	6	..	..	..
28	15	2	11.1	B.C. Power (A)	675	17½	18	17	18
7½	3¾	.	...	Do. (B)	53	5	5½	4½	5
6½	2	.	...	Bruck S. Mills	35	5	5	5	5
20½	10	1	7.7	Building Prod.	80	13	13	13	13
32	17	2.40	8.6	Burt, F. N.	27	27½	28	26½	26½
125	120	6	5	Calgary Pr.	....	120	..	..	..
4	1½	.	...	Canada Bread	50	2½	2	2	2
85	80	7	8.2	Do. pref. A.	....	85	..	..	..
25	10	.	...	Do. pref. B.	27	10	10	10	10
9	6⅝	1	13.3	Canada Bud	390	8	8	7	7
7	2	.	...	Canada Cement	2180	4½	4½	3	3
66	20	.	...	Do. pref.	141	26	25½	25	25
b15	6	1.20	11.4	Canada Dry	1100	11	11⅜	10½	10⅝
6	2	.	...	Can. Forg. (A)	....	2	..	..	..
7½	2	.	...	Do. (B)	....	7½	..	..	..
15	15	.	...	Canada Iron	1	..	15	15	15
x80	75	8	...	Do. pref.	....	..	..	..	..
15½	8½	1.50	10.7	Can. Malting	280	14½	14⅞	14	14
17	9	80c	5.9	Can. Nor. Pr.	....	13½	..	..	..
92	52½	7	10.8	Do. pref.	18	64	65	64	64
x6	¼	.	...	Can. Paving	....	..	..	..	..
6½	6½	.	...	Do. pref.	....	6½	..	..	..
186	135	12	7.6	Can. Perman.	31	165	170	157	157
1.00	.50	.	...	Can. Pr. & Pa.	....	.55	..	..	..
3½	¾	.	...	Can. Steamsh's	50	1½	1½	1½	1½
11⅛	1	.	...	Do. pref.	195	5	4½	3	4
17	9½	1.60	10.8	Can. Vinegars	180	13⅝	14½	14	14
55	28½	.	...	Can. W. Cable	....	32	..	..	..
18	4	.	...	Do. (B)	145	11½	10½	10	10
1½	1½	.	...	Can. Bakeries	....	1½	..	..	..
14	5	.	...	Do. pref.	....	5	..	..	..
191	123	10	7.3	Can. Bk. Com.	190	140	140	129	139
18	9	1.25	7.8	Can. Bronze	175	18	17	16	16
102	70	7	7.4	Do. pref.	....	95	..	..	..
6⅝	1⅞	.	...	Can. Canners	60	3½	3⅝	3½	3½
80	40	6	10	Do. 1st pfd.	....	60	..	..	..
9	3¾	40c	6.3	Do. 2nd pfd.	95	6½	6⅝	6	6
8½	2½	.	...	Can. Car & F'y	1382	4⅝	5½	4⅝	4½
19½	10	1.75	12.9	Do. pref.	835	13	13½	12¼	12½
12¼	3⅝	.	...	Can. Celanese	30	12	12	12	12
84	42	7	8.3	Do. pref.	105	81	84	81	84
20	16½	2	12.1	Can. Convert.	....	16½	..	..	..
‡50	45	.	...	Can. Cottons	....	..	..	..	..
60	48½	6	12	Do. pref.	40	48½	50	50	50
17	7	.	...	Can. Dredge	680	12½	12	11½	11⅞
x92	92	7	...	Do. pref.	....	..	..	..	..
68	60	6	10	Can. Fairb. pf.	250	64	60	60	60
4	3	.	...	Can. For. Inv.	....	3	..	..	..
65	55	.	...	Do. pref.	....	55	..	..	..
180	110	4	3.6	Can. Gen. Elec.	....	110	..	..	..
59	50	3.50	6.4	Do. pref.	124	56	56	55	55
3¾	3⅞	.	...	Can. G. Inv. T.	....	3⅞	..	..	..
66	29	6	15.8	Can. Hyd. El. p	100	38½	39	37½	37½
3⅞	½	.	...	Can. Ind. Alc.	1050	2⅛	2½	2	2
2.25	.30	.	...	Do. (B)	215	1.75	1.50	1.00	1.12
x5.00	3.95	.	...	Can. Int. I. Tr.	....	..	..	..	..
x70	64½	.	...	Do. pref.	....	..	..	..	..
21	15	1	6.1	Can. Lt. & Pr.	210	21	16½	15	16½
1½	1	.	...	Can. Locomo.	....	1	..	..	..
x25	5	.	...	Do. pref.	....	..	..	..	..
2½	½	.	...	Can. Marconi	4500	1⅛	1¼	1	1
13	7	1	10	Canadian Oil	....	10	..	..	..
100	84	8	8.1	Do. pref.	....	98½	..	..	..
22⅞	8½	.	...	Can. Pacific	7406	16	16	15	15⅞
3	1½	.	...	Can. Vickers	....	3	..	..	..
20½	20½	.	...	Do. pref.	....	20½	..	..	..
3½	1	.	...	Can. Wineries	....	1½	..	..	..
7½	4½	1	22.2	Can. Wire Box	8	4½	4½	4½	4½
12	7	.	...	Catelli Mac. A	7	7⅞	7½	7	7
x5	5	.	...	Do. (B)	....	..	..	..	..
x301	290	10	...	Cent. Can. L'n	....	..	..	..	..
2.05	.50	.	...	Chem. Research	3660	.76	.80	.70	.71
1	1	.	...	Claude Neon	....	1	..	..	..
8½	3	.	...	Cockshutt Plow	75	5	5¼	4½	4¼
2	½	.	...	Comm. Alcohol	....	1½	..	..	..
3¾	1	.	...	Conduits	....	1½	..	..	..
x94	84	.	...	Do. pref.	....	..	..	..	..
8	2¾	.	...	Cons. Bakeries	65	3½	3¼	3¼	3½
5	1	.	...	Cons. Industries	....	1½	..	..	..
4	4	.	...	Cons. Paper	....	4	..	..	..
15	5	.	...	Cons. Press	....	6	..	..	..
35	30	.	...	Cons. Sand pf.	....	35	..	..	..
102	25	.	...	Cons. Smelters	1689	67½	68	60	62½
175	142	10	5.9	Consumers Gas	47	170	171	170	171
‡35	30	.	...	Cooksville Co.	....	..	..	..	..
‡85	85	.	...	Do. pref.	....	..	..	..	..
‡90	90	.	...	Corr. P. Box, p	....	..	..	..	..
3½	2¼	.	...	Cosgrave Brew.	....	3	..	..	..
5⅛	2	.	...	Cosmos Imp.	....	5	..	..	..
68	40	3.50	7.4	Do. pref.	....	47½	..	..	..
3½	2	.	...	Crown Dom. Oil	25	2½	2½	2½	2½
20	8	6	...	Crow's N. Coal	....	15	..	..	..
1¼	1¼	.	...	David & Fre. B.	....	1¼	..	..	..
x12½	12½	.	...	De Havilland	....	..	..	..	..
15	10	.	...	Do. pref.	....	10	..	..	..
x9	5	.	...	Disher Steel	....	..	..	..	..
x10	10	1.50	...	Do. pref.	....	..	..	..	..
7⅝	3⅜	.	...	Distill-Seagram	422	6¼	6¼	5	5
7	7	.	...	Dodge "A" pf.	....	7	..	..	..
2	1¾	.	...	Do. (B)	....	2	..	..	..
194	125	10	7.2	Dom. Bank	29	140	141	140	140
27	9	2	15.7	Dom. Bridge	1493	14½	15½	12	12½
x40	40	.	...	Dom. Coal	....	..	..	..	..
22½	12	.	...	Dom. Engineer.	75	12	12⅝	12½	12½
78	30	5	7.7	Dom. Glass	5	65	60	60	60
112	85	7	6.9	Do. pref.	50	102	102	102	102
5½	1	.	...	Dom. Motors	....	1½	..	..	..
7½	2	.	...	Dom. Pr. Stubs	....	2	..	..	..
3	1	.	...	Dom. St. & C B	174	1½	1¼	1	1¼
20½	13	1.20†	6.8	Dom. Stores	347	18	18	17½	18
5	2	.	...	Dom. Tar & Ch.	....	2½	..	..	..
30	25	.	...	Do. pref.	....	26	..	..	..
63½	39	5	9.8	Dom. Textile	70	51	51	50	50
105	70	7	6.9	Do. pref.	61	102	102	102	102
x12	10	.	...	Donnacona	....	..	..	..	..
3	½	.	...	Dryden Paper	105	1¼	1⅜	1¼	1¼
4	2	.	...	Duff. Paving	....	2	..	..	..
49	26	.	...	Do. pref.	....	26	..	..	..
20	3	.	...	East. Koot. Pr.	....	3	..	..	..
x97	94½	.	...	Do. pref.	....	..	..	..	..
16	5	.	...	East. Dairies	20	5	5	5	5
9½	9½	1	10.5	East. Steel	....	9½	..	..	..
74	74	7	9.4	Do. pref.	....	74	..	..	..
‡34	28½	2	...	East. Theatres	....	..	..	..	..
x85	80	7	...	Do. pref.	....	..	..	..	..
1	1	.	...	Easy Washer	....	1	..	..	..
9	4½	75c	9.7	Economic Inv.	....	7¾	..	..	..
x15	15	.	...	Edmonton D'y	....	..	..	..	..
x80	78¾	6.50	...	Do. pref.	....	..	..	..	..
4	4	.	...	Enam. & Heat.	....	4	..	..	..
19	6	.	...	Eng. Electric	....	8	..	..	..
2½	1½	.	...	Do. (B)	....	2	..	..	..
8	6	.	...	Fam. Players	....	7	..	..	..
10	7½	.	...	Do. Vot. Tr.	....	10	..	..	..
10	7	.	...	Fanny Farmer	10	7	8	8	8
29	25	2.40	9.6	Do. pref.	....	25	..	..	..
x83½	75	.	...	Firstbrook Box	....	..	..	..	..
16⅞	5⅞	.	...	Ford Motors A	1228	7½	7½	7	7⅞
3½	1½	.	...	For. Pr. Secs.	....	2	..	..	..
9	4	.	...	Foundation Co.	....	4	..	..	..
1.25	.25	.	...	Fraser Cos.	160	.25	.30	.25	.25
50	50	.	...	Front Brew.	....	50	..	..	..
50	50	.	...	Do. pref.	....	50	..	..	..
x8	5	.	...	Frost Steel	....	..	..	..	..
37	35	.	...	Do. pref.	....	35	..	..	..
2½	⅞	.	...	Gen. St. Wares	35	1	1½	1⅛	1⅛
84	38	5	6.9	Goodyear Tire	65	73½	72	70	70
95	70	7	7.5	Do. pref.	50	94	94	93½	93½
x93½	93½	.	...	Gould Pumps p	....	..	..	..	..
1⅞	⅝	.	...	Gt. W Saddlery	....	¾	..	..	..
7	5	.	...	Do. pref.	....	5	..	..	..
21	7	1	12.5	Gurd, Chas.	130	8	8	7	7
106	100	7	7	Do. pref.	....	100	..	..	..
5	2	.	...	Gypsum, Lime.	735	2⅝	2⅝	2¼	2¼
7	2	.	...	Ham. Bridge	35	3⅜	3¼	3	3
60	44½	.	...	Do. pref.	....	45	..	..	..
10	6	.	...	Ham. Cot. pf.	....	6½	..	..	..
2½	1½	.	...	Ham. U. Theat.	....	2½	..	..	..
53	48	7	...	Do. pref.	....	50	..	..	..
4	½	.	...	Hayes Wheel	325	½	½	½	½
‡95	80	.	...	Do. pref.	....	..	..	..	..
‡50	50	.	...	Hillcrest Coll.	....	..	..	..	..
‡91	91	.	...	Do. pref.	....	..	..	..	..
2⅝	1	.	...	Hinde & Dauch	....	2½	..	..	..
x75	75	.	...	Holt Renfrew	....	..	..	..	..
‡96½	90	7	...	Do. pref.	....	..	..	..	..
3⅛	½	.	...	Honey Dew	....	½	..	..	..
40	10	.	...	Do. pref.	....	10	..	..	..
4	2	.	...	H. Smith Pap.	173	2½	3	2½	2½
27	16	.	...	Do. pref.	....	16	..	..	..
21½	15	2	12.1	Humberstone S	....	16½	..	..	..
17¾	6½	1	12.5	Hunt (A)	5	8	8	8	8
x23½	12½	1	...	Do. (B)	....	..	..	..	..
108	93	8	7.8	Huron & E. M.	....	102	..	..	..
18	17	.	...	Do. 20% pd.	20	18	18	18	18
11½	4¾	.	...	Hydro Electric	....	6	..	..	..
193	130	10	6.6	Imperial Bank	75	151	151	150	151
11⅝	7⅞	50c	5.5	Imperial Oil	6182	9¼	9⅝	8½	9
9⅞	6	35c°	4.1	Imperial Tob.	1175	8⅝	8½	8⅜	8½
x80	80	8	...	Inter. Coal, p.	....	..	..	..	..
6	6	.	...	Int. Hyd. E. A.	....	6	..	..	..
97	88½	7	7.4	Inter. Mill., pf.	....	94	..	..	..
80	77	6	7.5	Do. Series A	....	80	..	..	..
18½	4	.	...	Inter. Nickel	14314	9⅞	9¾	9	9¼
4	4	.	...	Inter. Paints	....	4	..	..	..
b4⅝	½	.	...	Int. Pa & Pr A	400	1⅜	1¼	1¼	1¼
b2	¼	.	...	Do. (B)	1700	¾	¾	⅜	⅜
b1½	¼	.	...	Do. (C)	2700	⅜	⅜	⅜	⅜
b12⅞	2	.	...	Do. pref.	500	4½	4½	3½	3½
13½	9⅛	1	8.3	Inter. Pete.	1795	11⅞	12	11⅝	11⅞
2½	2½	.	...	Inter. Power	....	2½	..	..	..
20	20	.	...	Do. pref.	....	20	..	..	..
11	2	.	...	Int. Util. (A)	15	7	6½	6½	6½
4	½	.	...	Do. (B)	....	1½	..	..	..
x40	40	1	...	Jam. Pub. Ser.	....	..	..	..	..
86	79	7	8.8	Do. pref.	....	79	..	..	..
4	2½	.	...	Kelvinator	25	2½	2¾	2¾	2¾
90	55	7	12.7	Do. pref.	....	55	..	..	..
9¾	4	.	...	Lake of Woods	21	7	6½	6	6½
40	35	.	...	Do. pref.	....	35	..	..	..
x140	140	8	...	Landed Bank.	....	..	..	..	..
40	28	3	7.7	Laura Secord	65	39½	39½	39	39
8	1½	.	...	Lindsay, C. W.	15	2¾	2½	2½	2½
60	36	6.50	16.7	Do. pref.	....	39	..	..	..
12⅞	9	80c§	6.9	Loblaw (A)	245	11½	11½	11	11½
12	8	80c§	7.4	Do. (B)	70	11½	11	10⅞	11
‡2½	2⅞	.	...	Loew's, London	....	..	..	..	..
x25	19	.	...	MacKin. Steel	....	..	..	..	..
x95	90	7	...	Do. pref.	....	..	..	..	..
7	6½	.	...	Manitoba Pr.	....	7	..	..	..
5	2	.	...	Maple Leaf	5	3	3	3	3
20½	8	.	...	Do. pref.	....	15	..	..	..
x38	30	.	...	Marcus Loew's	....	..	..	..	..
60	30	.	...	Do. pref.	....	30	..	..	..
5¾	2½	.	...	Massey-Harris	750	3½	3½	3	3
11⅛	7	60c	7.5	McColl Fron.	1093	8½	8½	7½	7⅞
68	58	6	9.5	Do. pref.	15	64	64	63	63
x45	35	.	...	Mexican L & P	....	..	..	..	..
‡25	25	.	...	Mercury Mills.	....	..	..	..	..
‡89	58½	.	...	Do. pref.	....	..	..	..	..
x40½	40	.	...	Mitchell, J. S.	....	..	..	..	..
105	105	7	6.7	Do. pref.	....	105	..	..	..
8¾	3	.	...	Mitchell, Robt.	....	5	..	..	..
x1	1	.	...	Monarch Knit.	....	..	..	..	..
30	20	.	...	Do. pref.	10	20	20	20	20
75	45	6	12	Montreal Cot.	....	50	..	..	..
75	65	7	10	Do. pref.	25	70	70	70	70
2½	½	.	...	Mont. Exhib.	....	½	..	..	..
11	5	.	...	Mont. Is. Pr.	....	5	..	..	..
39½	20½	1.50	4.8	Mont. L. & Pr.	9253	32½	33	30½	31
48	48	3+25	6.8	Montreal Loan	....	48	..	..	..
47	40	3.20	7.1	Montreal Tele.	....	45	..	..	..
150	90	10	9.1	Mont. Trams.	73	115	115	110	110
11	4½	.	...	Moore Corp.	80	8	8	8	8
93	62	7	8.7	Do. (A)	30	78	80	80	80
97	69	7	7.9	Do. (B)	15	87	88½	88½	88½
‡10	10	.	...	Mt. Royal Hot.	....	..	..	..	..
‡49	49	.	...	Do. pref.	....	..	..	..	..
2	¾	.	...	Muirheads	....	¾	..	..	..
9	8	.	...	Do. pref.	....	9	..	..	..
24	9½	1.60	10.4	Nat. Brew.	1629	16	16	15	15¾
28	25	1.75	6.2	Do. pref.	40	28	28	28	28
½	½	.	...	Nat. Brick	....	½	..	..	..
3	3	.	...	Do. pref.	....	3	..	..	..
18½	18½	2.40	...	N. Sew. Pipe A	18	..	18½	18½	18½
13½	6	80c	10.7	Nat. Steel Car	395	8	7½	7	7
255	175	12	5.7	National Tr.	....	210	..	..	..
10	10	.	...	Niag. W. Weav.	....	10	..	..	..
20	16	.	...	Do. pref.	15	16	16	16	16
2.50	1.50	.	...	North Star Oil	....	1.75	..	..	..
4.00	4.00	35c	...	Do. pref.	....	4.00	..	..	..
‡25	25	.	...	N.S. Steel, pf.	....	..	..	..	..
150	90	8	6.7	Ogilvie Flour	132	125	130	120	120
112	96	7	6.4	Do. pref.	....	109	..	..	..
9	4	.	...	Ont. Eq. 10% p	10	5	5	5	5
107	94½	6	5.7	Ontario Loan	32	106	107	106	107
x7	5	.	...	Ont. Silknit	....	..	..	..	..
x16	13	.	...	Ont. Steel	....	..	..	..	..
‡105	105	.	...	Do. pref.	....	..	..	..	..
½	½	.	...	Orange Crush	....	½	..	..	..
45	18	.	...	Do. (A)	....	18	..	..	..
½	½	.	...	Do. (B)	....	½	..	..	..
100	87	6	6.7	Ott. L. H. & P.	....	90	..	..	..
100	90	6.50	7.2	Do. pref.	....	90	..	..	..
10	8	.	...	Ott. Traction	20	8	10	10	10
68½	35	3	6	Page Hersey	200	52	51	49	50
b11½	1½	.	...	Paramount	17300	3¼	3⅜	2⅞	3
x35	30	.	...	Paton Mfg.	....	..	..	..	..
x94	92	7	...	Do. pref.	....	..	..	..	..
⅜	¼	.	...	Pelissiers	200	⅜	¼	¼	¼
x30	25	.	...	Do. pref.	....	..	..	..	..
35	18	3	10.7	Penmans	20	29¼	28	28	28
80	65	6	8	Do. pref.	....	75	..	..	..
19½	8	.	...	Photo Eng.	....	8	..	..	..
x40	10	.	...	Port Alfred pf	....	..	..	..	..
x70	64	7	...	Porto Rico P. p	....	..	..	..	..
b17½	1⅞	.	...	Postal Tele. p	....	..	..	..	..
36½	6	.	...	Power Corp.	701	9⅞	9⅞	8½	8½
90	25	6	12	Do. pref.	....	50	..	..	..
2	2	.	...	Prairie C. Oil	....	2	..	..	..
17½	5	.	...	Pressed Metals	218	16½	17½	16	16
5	3½	.	...	Price Bros.	....	3½	..	..	..
x99	70	.	...	Do. pref.	....	..	..	..	..
29	9½	1.50	11.5	Quebec Power	270	13¼	14	12½	13
105	105	7	6.7	Real Estate Ln	....	105	..	..	..
2.00	.25	.	...	Regent Knit.	50	.60	.60	.60	.60
10	5¾	.	...	Reliance Grain	....	9	..	..	..
12	6½	1	14.3	River. S. Mills	....	7	..	..	..
12	5	1	18.2	Robinson Cone	....	5½	..	..	..
4	1	.	...	Rogers Majes.	....	1	..	..	..
171	120	10	6.9	Royal Bank	267	148	149	143	143
x84	75	.	...	Ruddy, E. L. p	....	..	..	..	..
33	32½	1	3.1	Russell Motor	....	32½	..	..	..
70	35	7	14.6	Do. pref.	....	48	..	..	..
4	3	.	...	Sarnia Br. (A)	....	3	..	..	..
1	1	.	...	Do. (B)	....	1	..	..	..
7	3	.	...	Serv. Station	80	3⅛	3¼	3¼	3¼
46	20	.	...	Do. pref.	....	25	..	..	..
33	7½	50c	4.9	Shawinigan	8341	11	11	9⅝	9⅞
20	5	.	...	Sher. Wms.	40	8	7	5	5
80	65	7	10.8	Do. pref.	130	70	70	65	65
17	5	.	...	Simon & Son	....	5½	..	..	..
80	60	.	...	Do. pref.	....	60	..	..	..
55½	12	.	...	Simpson, Ltd.	30	20	15	15	15
x44½	36	.	...	Do. (A)	....	..	..	..	..
9	9	.	...	Do. (B)	....	9	..	..	..
82	62	6	7.9	Simpson, R., p.	30	78	76	74	74
25	10	1	6.2	So. Can. Pr.	12	16	16	16	16
90	60	6	7.5	Do. pref.	26	80	80	80	80
1.00	.30	.	...	St. Law. Corp.	....	.30	..	..	..
4	1¼	.	...	Do. (A)	200	2	3	2¾	3
30	9	1.50	5	St. Law. Flour	....	30	..	..	..
99½	70	7	7	Do. pref.	....	99½	..	..	..
11	1⅞	.	...	St. Law. Pa. p	80	4	4	4	4
3	1½	.	...	St. Pav. & Mat.	51	1½	1½	1½	1½
46	25	.	...	Do. pref.	....	29½	..	..	..
6	4	50c	...	Stand. Chem.	....	6	..	..	..
5⅝	1¼	.	...	Stand. Steel	....	2⅝	..	..	..
x35	30	3	...	Do. pref.	....	..	..	..	..
24	10¼	1.75	10.3	Steel of Can.	630	16½	17½	16½	17
30¼	20	1.75	6.5	Do. pref.	15	28½	27	27	27
1	½	.	...	Sterling Coal	....	1	..	..	..
18	9¾	1	7.4	Sup. Pete. ord.	20	13½	14½	13½	13½
16½	16½	1	...	Do. com.	....	16½	..	..	..
98	90	7	7.3	Do. pref.	....	95½	..	..	..
300	290	.	...	Sun Life Assur.	2	300	290	290	290
42	35	.	...	Tamblyn	....	40	..	..	..
100½	95	7	7.4	Do. pref.	20	96½	95	95	95
18	14½	3.50	23.3	Thayers, pfd.	....	15	..	..	..
7	3	.	...	Tip Top Tailors	10	3	3	3	3
67	50	7	12.7	Do. pref.	....	55	..	..	..
x22	10	.	...	Tooke Bros.	....	..	..	..	..
x67	48½	.	...	Do. pref.	....	..	..	..	..
16	7	.	...	Tor. Elevators	40	15	16	16	16
210	125	10	5.9	Tor. Gen. Tr.	....	170	..	..	..
108	85	6	6	Toronto Mtge.	....	100	..	..	..
¼	¼	.	...	Traymore	....	¼	..	..	..
2¼	2	.	...	Do. pref.	....	2	..	..	..
120	103	7	6.5	Tuckett Tob. p	....	107	..	..	..
5	2	.	...	Twin City	....	5	..	..	..
b24½	7	.	...	Do. pref.	....	..	..	..	..
37	23	.	...	Do. (notes)	....	23	..	..	..
7	1¾	.	...	Union Gas	140	4½	4½	4¼	4½
100	85	5	5.9	Union Trust	....	85	..	..	..
x8	8	.	...	United Fuel	....	..	..	..	..
15	3	.	...	Do. pref.	....	7	..	..	..
24⅝	18	2	10	United Secs.	....	20	..	..	..
11	5	.	...	Viau Biscuit	60	9	5⅛	5	5
75	59	7	11.9	Do. pref.	....	59	..	..	..
12	4	.	...	Wabasso Cot.	50	10	5¼	5¼	5¼
8	2½	.	...	Walker-Good.	2616	6⅞	7	6½	6½
12	9	1	10.5	Do. pref.	1349	9⅝	9⅝	9⅝	9½
3¾	1	.	...	Waterloo Mfg.	....	1¾	..	..	..
80	75	7	...	W. Koot. Pr. p	....	80	..	..	..
8	5½	.	...	West C. Flour	....	8	..	..	..
60	54	6.50	11.6	Do. pref.	10	55	56	55	55
12¼	10	.	...	West. Grocers	....	11½	..	..	..
60½	43	7	11.7	Do. pref.	....	60	..	..	..
x91	85	.	...	W. Steel Pr. p	....	..	..	..	..
23	16½	1	4.6	Weston Bisc.	25	21¾	21½	21½	21½
70	65	7	10.1	Do. pref.	10	67	69	69	69
10	3	.	...	Windsor Hotel	25	3	3	3	3
38	10	.	...	Do. pref.	50	11	11	11	11
8	2	.	...	Winnipeg Elec.	325	3¾	3¾	3	3
20	8	.	...	Do. pref.	25	8	8	8	8
x46	46	.	...	Woods Mfg. p.	....	..	..	..	..
1	1	.	...	Zimmerknit, c.	....	1	..	..	..

x Quotations for 1931. No sales recorded in 1932 to date.
b New York Quotations.
‡ Quotations for 1930.
† Plus 30c. extra paid Jan. 2, 1932.
° Plus final div. of 17½c paid March 31, 1932.
§ Plus 20c. extra payable Dec. 1.

Donnacona Bondholders Can Obtain New Common

From Our Own Correspondent

MONTREAL.—Holders of 5½ per cent first mortgage bonds of Donnacona Paper Co. have been notified that under the terms of the reorganization plan their bonds should be forwarded to the trustee, Royal Trust Co., for cancellation of interest coupons maturing Aug., 1932, to Feb., 1934, inclusive and conversion of the company's obligation to pay the four succeeding half yearly installments into an obligation to pay such interest only out of net income. In return for this, bondholders will receive 9¼ shares of class "A" common stock for each $500 bond.

Holders of the 6½ per cent debentures are exchangeable through the Montreal Trust Co., on the basis of two class "B" shares for every $100 debenture surrendered for cancellation.

Half Million Radio Licenses Issued

A total of 544,129 radio receiving licenses have been issued by the Canadian Government Radio Branch from April 1 to September 30, 1932, or approximately one to every eighteen persons of the population of the Dominion.

Active Unlisted Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited).
Investment Bankers—Toronto
November 29, 1932

Industrial Stocks:	Bid	Asked
Acadia Sugar c.	.35	.75
Acadia Sugar pfd.	2.60	3.00
Acme Farmers Dairy pfd.	60.50	65.00
Acme Glove pfd. bonus c.	7.25	8.00
Agnew Surpass pf.	65.00	70.00
Allens Beach pfd. bonus c.	31.00	....
Allens College pfd. bonus c.	31.00	....
Allens London pfd. bonus c.	31.00	....
Allens St. Clair pfd. bonus c.	31.00	....
Allens Toronto pfd. bonus c.	15.50	....
Allens St. Cath. pfd. bonus c.	31.00	....
Andian Nat. Corp.	20.75	23.25
B.C. Pulp & Paper pfd.	4.50	8.00
Burns pfd. bonus com.	5.50	7.50
Canada & Dom. Sugar c.	20.25	21.25
Canada Mach. c.	1.75	3.00
Can. Mach. pfd.	11.00	20.00
Can. Packers c.	10.75	12.50
Can. Packers pfd.	68.00	70.00
Can. Starch pfd.	62.25	68.00
Can. Tea pfd.	48.00	53.00
Can. Wire & Cable pfd. W.W.	72.75	74.00
Can. Industries c. "A"	74.00	78.00
Can. Industries c. "B"	73.00	75.00
Can. Industries 7% pfd.	109.00	110.50
Can. Westing.	36.00	38.00
Chase, A. W. Units	....	18.50
Claude Neon Gen. Adv. Units	17.50	20.50
Claude Neon Gen. Adv. c.	1.00	1.75
Dom. Foundries & Steel c.	5.25	6.50
Dom. Foundries & Steel pfd.	65.00	71.00
Dom. Manufacturing pfd.	66.00	....
Dunlop Tire 7% pfd.	42.25	44.50
Eastern Dairies Ltd. pfd.	61.25	65.00
Edmonton Stockyards Units	....	51.50
Fed. Grain pfd.	30.00	35.00
Gen. Steel Wares pfd.	6.00	7.50
Goderich Elevator & Transit	7.00	7.75
Greening Wire 7% pfd.	63.00	67.00
Guardian Realty pfd.	17.00	23.50
Guelph Carpet pfd. bonus c.	67.00	72.00
Guelph Carpet c.	3.50	....
Inter. City Baking com.	....	24.50
Inter. Proprietaries "A"	24.75	25.25
Langleys pfd.	29.00	35.00
Loew's London c.	.35	.75
Loew's London 7% pfd.	3.25	4.00
Maple Leaf Gdns. pfd. bonus	2.75	3.25
Massey Harris pf.	14.50	15.00
Mount Royal Hotel com.	.75	1.25
Mount Royal Hotel pfd.	5.05	6.00
Nat. Grocers c.	.75	1.40
Nat. Grocers 2nd pfd.	37.00	41.00
Neilson, Wm., c.	4.00	....
National Sewer Pipe c.	7.00	....
Provincial Paper 7% pfd.	34.50	40.00
Reliance Grain pf	54.50	60.00
Rolland Paper pfd. W.W.	30.50	35.00
Standard Clay Products c.	15.75	20.00
Standard Fuel pfd. bonus	55.25	58.00
Supertest Petroleum "B"	17.00	20.00
Toronto Brick pfd.	....	39.00
Toronto Carpet 8% pfd.	....	85.00
Toronto Elevators 7% pfd.	75.50	76.50
Western Grain pfd. bonus	....	25.50
Willards Choc. pf.	....	21.00
Insurance Stocks:		
Br. Amer. Assce.	30.50	40.00
Canada Life Ass.	345.00	390.00
Can. Fire Ins.	55.00	60.00
Confederation Life 20% pd.	135.00	140.00
Continental Life 20% pd.	40.00	50.00
Crown Life Ins.	85.00	100.00
Dom. Fire Ins.	92.00	100.00
Dom. Life 50% pd.	230.00	275.00
Dom. of Can. Gen. Ins.	120.00	135.00
Excelsior Life 30% pd.	80.50	85.00
Fidelity Ins. of Can.	....	69.00
Great West Life Assce.	231.00	245.00
Guarantee Co. of N. A.	195.00	220.00
Halifax Fire Ins.	11.00	12.00
Imp. Life Assce.	240.00	258.00
Mfrs. Life Ins.	225.00	235.00
Monarch Life 10% pd.	17.50	21.00
National Life 25% pd.	65.00	70.00
Saskatchewan Life 10% pd.	10.50	16.00
Sovereign Life 25% pd.	15.00	20.00
Sun Life Assur.	250.00	280.00
Western Assur. c.	14.50	20.00
Western Life 20% pd.	7.50	....
Trust & Loan Stocks:		
Can. Gen. Invest. Ltd.	3.15	3.39
Chartered Trust	62.00	64.00
Deb. & Sec. pfd.	....	16.50
Eastern Can. Sav. & Loan	105.00	110.00
Eastern Trust	140.00	150.00
Guelph & Ont. Inv. par $50	46.25	51.00
Investment Foundation Units	16.00	20.00
Lambton Loan & Savings	51.00	56.00
London & Western Trust	83.50	86.00
Mtge. Disc. pfd.	2.35	2.75
Mutual Fin. pfd.	....	2.00
Premier Trust	85.50	88.00
Provincial Bank	96.00	102.00
Security Loan & Savings	92.50	108.00
Sherbrooke Trust	100.50	110.00
Sterling Trust	52.00	56.00
Traders Fin. c.	.75	1.50
Traders Fin. pfd.	19.00	21.00
Trusts & Guar.	51.50	55.00
Victoria Trust & Savings	169.00	....
Waterloo Trust & Savings	104.00	....
Power Issues:		
B.C. Elect. Pwr. & Gas pfd.	89.00	90.50
Calgary Power 6% pfd.	67.00	69.00
Can. Light & Pwr. com.	17.00	21.00
Can. West. Nat. Gas LH&P c.	16.00	23.00
Can. West. Nat. Gas LH&P pfd.	66.00	68.00
Great Lakes Pwr. pfd.	....	65.00
Maritime Tel. & Tel. c.	11.00	11.75
Maritime Tel. & Tel. pfd.	10.75	11.75
N.B. Tele. c.	7.25	8.25
N.S. L&P pfd.	70.50	72.50
Recent London Quotations:		
Brewer distillers	....	4s. 10½d.
Can. & For. sec.	....	3s. 9d.
Can. West. Lumber	....	9d.
Hudson's Bay	....	20s.
Do., 5 per cent	....	72s. 6d.
Internat. Holdings	....	$1 13/16
Nfld. Pr. & Pap. deb. stock "B"	....	102½
Trust & Loan of Can.	....	2s. 6d

Active Unlisted Bonds

(Furnished by A. J. Pattison, Jr. & Co., Limited)
Investment Bankers, Toronto
November 29, 1932

Industrial Bonds:	Bid	Asked
Abitibi P. & P. 5% 1953	15.00	18.00
Acadia Sugar 6% 1946	83.00	87.00
Alta. Pac. Grain 6% 1946	83.00	86.00
American Sales Book 6% 1939	105.00	....
Arnold Bros. 6% 1947	40.00	50.00
B. A. Oil 5% 1945	86.00	88.00
Canada Biscuit 6½% 1946	27.00	32.50
Canada Bread 6% 1941	87.00	....
Canada Cement 5½% 1947	72.00	75.00
Can. Bakeries 6½% 1945	50.00	60.00
Can. Canners 6% 1950	79.00	82.00
Can. Copper Refin. 6% 1945	95.50	98.00
Can. Cottons 5% 1940	83.00	88.00
Can. Steamship 6% 1941	32.00	34.50
Can. Vickers 6% 1947	68.00	71.00
Cons. Invest. 4½% 1959	43.00	....
Cosmos Imp. Mills 6½% 1944	86.00	89.00
Davies, Wm., 6% 1942	85.00	90.00
Debenture & Sec. 4% 1936	49.00	52.00
Dom. Manufacturers 6% 1933	96.00	....
Dom. Tar & Chemical 6% 1949	65.00	66.00
Dom. Telegraph 5½% 1978 "A"	84.00	87.00
Dom. Textile 6% 1949	93.00	....
Dom. Woollens 6% 1948	....	22.00
Donnacona Paper 5½% 1948	10.00	15.00
Eaton Realty 5% 1949	83.00	85.00
Famous Players 6% 1948	67.00	70.00
Famous Players 6½% 1948	48.00	52.00
Federal Grain 6% 1949	73.00	76.00
Fraser Co. 6% 1932	10.00	....
Fraser Co. 6% 1950	10.00	....
Galt Brass 7½% 1941	....	30.00
Goodyear Cotton 6% 1949	94.00	96.00
Great Lakes Paper 6% 1950	17.00	18.75
Gypsum, Lime & Alab. 5½% 1948	35.00	38.00
Harris Abattoir 6% 1947	86.00	....
Howard Smith 5½% 1953	58.00	62.00
Loew's Toronto 6% Serial	95.00	100.00
London Realty 6½% 1950	50.00	55.50
Maple Leaf Milling 5½% 1949	49.00	54.00
Massey Harris 5% 1947	65.00	67.00
McColl-Frontenac 6% 1949	84.00	86.00
McKinnon Industries 6½% 1945	93.00	97.00
Mercury Mills 5½% 1953	35.00	40.00
Metropolitan Bldg. 7% 1944	84.00	90.00
Nor. Ont. Bldg. 6½% 1939	67.00	70.00
Price Bros. 6% 1943	30.00	32.00
Richmond Bay 6½% 1947	62.50	68.00
Rolland Paper 5½% 1948	70.00	75.00
Simpsons Ltd. 5½% 1949	....	56.00
Simpsons Ltd. 6% 1949	....	57.00
Steel of Can. 6% 1940	103.00	106.00
Toronto Carpet 6% 1944	75.00	80.00
United Gas & Fuel 5½% 1948	48.00	51.00
United Grain Growers 5% 1948	75.00	80.00
United Grain Growers 5½% 1949	78.00	81.00
Western Grain 6% 1949	65.00	70.00
Public Utility Bonds:		
Bell Telephone 5% 1955	110.00	....
Bell Telephone 5% 1957	110.00	....
B. C. Power 5½% 1960	80.00	85.00
B. C. Telephone 5% 1960	89.00	92.00
Calgary Power 5% 1960	78.00	82.00
Can. Northern Pwr. 5% 1953	73.00	76.00
Duke Price Power 6% 1966	55.00	58.00
Elec. Develop. 5% 1933	116.00	....
French Natl. Mail SS 6% 1952	122.00	....
Gatineau Pwr. 6% 1941	55.00	57.00
Gatineau Pwr. 5% 1956	72.75	74.50
Inter. Pwr. 6½% 1957	49.00	53.00
Maclaren Quebec 5½% 1961	71.00	74.00
Manitoba Power 5½% 1951	50.00	56.00
Montreal Isl. Pwr. 5½% 1957	99.00	102.00
Montreal LH&P 5% 1951	103.00	105.00
Montreal LH&P 5% 1970	103.00	105.00
Montreal Tram. 5% 1941 July	93.00	97.00
Montreal Tram. 5% 1955	76.00	80.00
Northwest Utilities 7% 1938	90.00	95.00
Ont. Pwr. Serv. 5½% 1950	78.50	80.00
Ottawa Valley Pwr. 5½% 1970	95.00	96.50
Quebec Power 5% 1968	86.00	90.00
Rio Tramways 5% 1935	80.00	86.00
Shawinigan W & P 4½% 1970	67.50	70.00
Shawinigan W & P 6% 1937	84.00	86.00
Shawinigan W & P 5% 1970	76.00	80.00
Southern Can. Pwr. 5% 1955	93.00	95.00
West Kootenay Pwr. 5% 1956	87.50	90.00
Government, Provincial & Railway Bonds:		
C.N.R. 4½% 1951 Dom. Gtd.	95.50	96.25
C.N.R. 4½% 1957 Dom. Gtd.	95.50	96.00
C.N.R. 5% 1969 Dom. Gtd.	101.75	102.50
C.P.R. 4½% 1944	78.00	80.00
C.P.R. 5% 1954	89.00	92.00
C.P.R. 6% 1942	96.00	98.50
Dom. of Can. 5% 1936	99.75	100.50
Dom. of Can. 5% 1941	99.75	100.50
G.T.P. 3% 1962 Dom. Gtd.	75.00	76.00
G.T.P. 4% 1962 Dom. Gtd.	89.00	91.00
Ont. Hydro 4½% 1970 Ont. Gtd.	95.00	97.00
Ont. Hydro 4% 1957 Ont. Gtd.	89.00	91.00
Prov. of N.B. 5½% 1950	99.00	100.50
Prov. of Ontario 4½% 1944	99.00	100.00
Prov. of Ontario 5% 1948	99.75	100.50
Prov. of Ontario 5½% 1947	103.25	104.00

Note re Unlisted Securities

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page and the adjoining page, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotation giving an idea of approximate price is better than none at all.

Dividends Declared

	Annual rate	Amt. this payment	Date payable	Date of record
Agnew Surpass pref.	7%	1¾%	Jan. 3	Dec. 15
Andian National (Coupon 8)	$2	$1	Dec. 15	Nov. 30
Bk of Nova Scotia	14%	3½%	Jan. 3	Dec. 15
Brazilian Traction, pref.	6%	1½%	Jan. 3	Dec. 15
Bell Telephone	$7	$1.75	Jan. 16	Dec. 23
B. C. Power "A"	$2	50c	Jan. 16	Dec. 31
Belding Corticelli pfd.	7%	1¾%	Dec. 15	Nov. 30
Canada Bread, 1st pref.	7%	1¾%	Jan. 2	Dec. 15
Canada Northern Power	80c	20c	Jan. 25	Dec. 31
Do., pref.	7%	1¾%	Jan. 16	Dec. 31
Canadian Oil pref.	8%	2%	Jan. 2	Dec. 20
Can. Perm. Mortgage	12%	3%	Jan. 3	Dec. 15
Caisse d'Economie de Notre Dame	...	$3	Dec. 1	Dec. 1
Canada Malting	$1.50	37½c	Dec. 15	Nov. 30
Can. Cottons pref.	6%	1½%	Jan. 4	Dec. 17
Can. Gen. Electric	$4	$1	Jan. 3	Dec. 15
Do., pref.	$3.50	87½c	Jan. 3	Dec. 15
Dominion Bank	$10	$2.50	Jan. 3	Dec. 20
Dominion Stores	$1.20	30c	Jan. 1	Dec. 15
Dom. Textile	$5	$1.25	Jan. 3	Dec. 15
Do., pref.	7%	1¾%	Jan. 16	Dec. 31
Dominion Glass	5%	1¼%	Jan. 2	Dec. 15
Do., pref.	7%	1¾%	Jan. 2	Dec. 15
Halifax Fire Ins.	90c	45c	Jan. 3	Dec. 10
Imperial Tobacco, ord.	35c	8¾c	Dec. 31	Nov. 30
Inter. Petroleum coupon (35)	$1	25c	Dec. 15	Nov. 30
Do., pref.	$1	25c	Dec. 15	Dec. 1
Inter. Proprietaries "A"	$2.60	65c	Dec. 15	Nov. 25
Lake Shore Mines	$2	50c	Dec. 15	Dec. 1
Do., extra	...	50c	Dec. 15	Dec. 1
Loew's London Theatres pfd.	7%	*5¼%	Dec. 31	Nov. 19
Maritime Telegraph	80c	20c	Jan. 3	Dec. 15
Do., pref.	70c	17½c	Jan. 3	Dec. 15
McColl-Frontenac c.	60c	15c	Dec. 15	Nov. 15
Mitchell, J. S., pref.	7%	1¾%	Jan. 2	Dec. 16
Montreal Loan & Mtge.	12%	3%	Dec. 15	Nov. 30
Montreal Cottons	6%	1½%	Dec. 15	Nov. 30
Do., pref.	7%	1¾%	Dec. 15	Nov. 30
Noranda Mines	...	60c	Dec. 21	Dec. 3
National Biscuit	$2.80	70c	Jan. 14	Dec. 16
North Brit. Trust	...	1%	Dec. 15	Nov. 15
Northern Ont. Power	$2	50c	Jan. 25	Dec. 31
Do., pref.	6%	1½%	Jan. 25	Dec. 31
National Breweries	$1.60	40c	Jan. 2	Dec. 15
Do., pref.	$1.75	43c	Jan. 2	Dec. 15
National Sewer Pipe c.	60c	15c	Dec. 15	Nov. 30
Do., "A" com.	$2.40	60c	Dec. 15	Nov. 30
Ontario Loan & Deb.	12%	3%	Jan. 3	Dec. 15
Pioneer Gold (B.C.)	24c	6c	Jan. 2	Dec. 10
Petrol Oil & Gas	...	1c	Dec. 20	Dec. 1
Reliance Grain, pref.	6½%	1⅝%	Dec. 15	Nov. 30
Royalite Oil	...	$1	Dec. 15	Nov. 30
Security Loan c.	$7	$3.50	Jan. 3	Dec. 15
Sherwin Williams pref.	7%	1¾%	Dec. 31	Dec. 15
Southern Can Power pref.	6%	1½%	Jan. 16	Dec. 20
Standard Steel, pref. "A"	$3	75c	Jan. 1	Dec. 15
Sylvanite Gold	4c	2c	Dec. 31	Nov. 30
Do., extra	...	½c	Dec. 31	Nov. 30
Shawinigan W. & Pr.	50c	13c	Feb. 15	Jan. 21
Siscoe Gold Mines	...	3c	Dec. 16	Nov. 30
United Amusement A & B	$1.60	40c	Dec. 15	Nov. 30
Walker, Hiram, pref.	$1	25c	Dec. 15	Nov. 26

*For the three-quarters of the year ending Dec. 31, 1931.

Dividends Passed or Deferred:
Consolidated Sand, pref., Feb. 15, to be deferred. Last paid 50c. Nov. 15, 1932.
Standard Paving, pref., Feb. 15, to be deferred. Last paid 50c. Nov. 15, 1932.

Dividend Rate Reduced:
National Sewer Pipe com. Dec. 15, reduced from 30c to 15c quarterly.
Halifax Fire Insurance Jan. 3, reduced from 60c to 45c semi-annually.

Dividend Rate Increased:
Pioneer Gold (B.C.) Increased from 3c to 6c quarterly

Extra Dividends:
Sylvanite ½c. Dec. 31.
Lake Shore Mines 50c. Dec. 15.

Listed Bond Quotations

Week Ending November 28

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1932 High	Low
Abitibi, 1st mtge.	5	1953	...	15	...	...	46	19½
Asbestos	5	1942	...	21	...	...	65½	49
Do., 1st mtge.	6	1941	...	†15	...	...	*20	14
Do., gen. mtge.	6	1956	...	...	...	...	*9	...
Can. Cons. Rub.	6	1946	...	...	...	...	*69½	...
Can. Cottons	5	1940	...	...	...	...	*91	90
Can. Forgings	6	1942	...	...	...	...	*100	...
Can. Locomotive	6	1951	...	...	...	...	‡96	...
Can. Pr. (Laur.)	5½	1958	...	...	...	...	7	5
Do. (Way. Ser.)	5½	1958	...	...	...	...	*28½	5½
Can. S. S. debs.	5	1943	7.30	86	...	...	83½	...
Cedars Rapids	5	1953	5.52	...	...	...	101	95
Dom. Canners	6	1940	...	...	...	...	‡103	...
Dominion Coal	5	1940	...	...	...	...	50	36½
McNish	6	1948	...	†3.30	...	...	3.50	1.00
Mex. L. & P.	5	1940	...	46	...	...	*73½	70½
Mont. LH&P deb.	3	1939	...	40½	41	40½	44	35
Mont. Tr. 1st mtge.	5	1941	5.20	93	...	...	98½	90½
Mont. Trams. "A"	5	1955	6.45	77	...	...	85½	69½
Do., G. & Ref. "B"	5	1955	7.45	...	...	...	79½	78½
Do., "C"	4½	1955	6.43	...	...	...	77½	77
Do., "D"	5	1955	6.62	...	...	...	81	78
N. S. Steel	5	1959	...	†78	...	...	*62½	59
Ontario Steel	6	1943	5.94	...	...	...	100½	...
Porto R. Pr.	5	1936	...	...	...	...	*93	88
Steel of Canada	6	1940	...	102	...	...	102½	100½
Wayagamack	6	1951	...	...	...	...	*75	45
Winnipeg Elec.	5	1935	...	75	...	...	86	...
Toronto								
Canada Bread	6	1941	...	...	...	...	*101½	100
Steel of Canada	6	1940	...	...	...	...	102½	...
Dominion Govt. Bonds (Montreal)								
War Loan	5	1937	1.42	114.10	....	....	110.00	102.00
Victory Loan	5½	1933	4.71	100.25	....	....	101.55	100.25
Do.	5½	1934	4.94	100.25	....	....	102.40	99.25
Do.	5½	1937	3.70	106.75	....	....	109.75	104.00
Do., refund	4½	1940	4.90	96.25	97.50	....	98.25	91.50
Do., refund	5	1943	4.94	100.00	....	....	102.50	95.38
Do., refund	4½	1944	5.03	94.50	....	....	96.75	89.50
Do., refund	4½	1946	4.99	94.50	....	....	92.25	91.50
Conversion Loan	4½	1956	4.68	†93.75	....	....	91.50	88.25
Do.	4½	1957	4.58	93.25	....	....	90.50	88.50
Do.	4½	1958	4.66	94.00	....	....	99.37	88.50
Do.	4½	1959	4.76	95.10	96.00	....	99.50	88.75
Nat. Service Loan	5	1936	4.86	99.75	100.00	....	102.25	96.25
Do.	5	1941	4.93	99.50	100.50	100.00	102.25	95.00

†Latest ask.
‡Quotations for 1930. *For 1931. None recorded in 1932 to date.

Active Provincial and Municipal Bonds

Quotations furnished by A. E. Ames & Co.,
Canada Permanent Building, Toronto, Ont.
November 28, 1932

	Rate	Actual Maturity	Next Int. Date		
*Alberta	4½	1 Oct., 1958	1 Apr.	88.50	5.32
Alberta	5	1 July, 1943	1 Jan.	95.50	5.55
Alberta	6	1 Mar., 1947	1 Mar.	101.00	5.90
*British Columbia	4½	1 Oct., 1953	1 Apr.	88.50	5.42
*British Columbia	5	15 Jan., 1948	15 July	96.50	5.33
British Columbia	6	15 Feb., 1947	15 Feb.	101.00	5.90
*Manitoba	4	1 July, 1947	1 Jan.	80.40	6.00
*Manitoba	5	2 Dec., 1959	2 Dec.	95.50	5.32
Manitoba	6	1 Apr., 1947	1 Apr.	101.00	5.90
*New Brunswick	4	1 June, 1948	1 Dec.	89.30	5.00
*New Brunswick	4½	15 June, 1936	15 Dec.	99.20	5.00
New Brunswick	5½	1 May, 1950	1 May	101.25	5.30
*Nova Scotia	4½	15 Nov., 1948	15 May	94.55	5.00
Nova Scotia	5	1 May, 1943	1 May	100.00	5.00
*Ontario	4½	1 Sep., 1944	1 Mar.	100.50	4.45
Ontario	5	15 Oct., 1948	15 Apr.	101.00	4.91
Ontario	5½	1 Feb., 1947	1 Feb.	104.25	5.08
P. E. I.	4	1 Apr., 1939	1 Apr.	93.70	5.15
P. E. I.	6	1 May, 1947	1 May	107.55	5.25
*Quebec	4½	1 May, 1961	1 May	98.00	4.37
Saskatchewan	4½	1 Oct., 1944	1 Apr.	85.50	6.23
Saskatchewan	5	1 Oct., 1950	1 Apr.	87.60	6.15
Saskatchewan	6	15 Mar., 1952	15 Mar.	96.25	6.33
*Newfoundland	5	31 Dec., 1952	31 Dec.	55.00	10.39
*Newfoundland	5½	1 July, 1939	1 Jan.	60.00	14.90
*Newfoundland	6½	30 June, 1936	30 Dec.	65.00	...
Cities					
*Montreal	5	1 Sep., 1963	1 Mar.	101.60	4.90
*Toronto	4½	1 Jan., 1955	1 Dec.	94.60	4.90
*Vancouver	5	15 Jan., 1970	15 July	88.50	5.75
Winnipeg	5	1 Mar., 1944	1 Mar.	91.75	6.00
*Edmonton	5½	1 Apr., 1947	1 Apr.	88.55	6.75
Calgary	5	1 Jan., 1943	1 Jan.	86.65	6.75
Halifax	6	1 July, 1951	1 Jan.	108.95	5.25
Saint John	5	15 Dec., 1950	15 Dec.	97.10	5.25
Regina	4½	1 July, 1950	1 Jan.	76.75	6.75
Victoria	5	21 July, 1945	21 July	91.06	6.00
Quebec	5	1 June, 1948	1 Dec.	100.00	5.00

*Payable in New York.

Winnipeg Stock Exchange

(Transactions for week to Nov. 26)

Div. Rate in $	Yield in %		Sales	High for week	Low for week	Close Nov. 26
..	..	Beaver Lumber, com.	100	4	4	4
..	..	Central Manitoba	300	.06	.05	.06
60c	7.4	McColl Frontenac, com.	20	8⅛	8⅛	8⅛
60c	..	Noranda	10	21.00	21.00	21.00
35c	..	North Star Oil, pfd.	50	2⅝	2⅝	2⅝
..	..	San Antonio	605	.65	.63	.65
60c	18.2	Teck Hughes	50	3.30	3.30	3.30
1.25	11.3	United Grain	18	11¼	11	11
7	11.6	Western Grocers, pfd.	30	60½	60½	60½
..	..	Winnipeg Electric	3	8	8	8

Stocks Not Traded in During Week*

	Bid	Ask		Bid	Ask
Beaver Fire	..	100	Reliance Grain pf.	..	60
Beaver Lumb. pf.	..	80	Sovereign Life 25% paid	11	..
Can. Fire Insur.	55	..	Traders Bldg. Assn.	65	..
City Dairy 8% pf.	..	80	West. Breweries	1¼	1⅝
Cres. Creamery pf.	61	..	West. St. Prod., pf.	30	..
Great West Life	..	235	Can. Amer. Tr. shs.	..	2⅞
Home Investment	25	..	Fundamental Series "A"	..	3¼
Monarch Life 10% paid	15	..	Fundamental Series "B"	..	3⅜
Pelissiers pref.	10	..			
Nor. Can. Mtg. pf.	..	15			
Northern Trust	..	25	Grouped Inc. shs.	3.35	3.60

*Stocks more active on other exchanges not included.

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Quarterly Dividend

Notice is hereby given that a Dividend of THREE PER CENT. for the current quarter, being at the rate of

TWELVE PER CENT. PER ANNUM

on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

TUESDAY, THE THIRD DAY OF JANUARY

next, to Shareholders of record at the close of business on the Fifteenth day of December, 1932.

By order of the Board.
WALTER F. WATKINS,
Secretary.
Toronto, November 23rd, 1932.

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OUTPUT OF CARS TWICE 1931 RATE DURING OCTOBER

Units Made For Export Responsible For Increase

Motor car production in Canada during October was more than 25 per cent above the September production and over double the production for October, 1931. Total output for the month was 2,923 units compared with 2,342 units in the previous month and 1,440 units in the same month of 1931, according to the Dominion Bureau of Statistics.

The October increase was wholly accounted for by passenger cars of which production advanced from 1,741 to 2,361 compared with September, this gain being more than sufficient to offset the decline in trucks from 562 to 601.

Cars made for export were the primary cause of the increased output, numbering 2,232 units compared with 1,261 units in September, while only 691 cars were made for sale in Canada. The number of cars made for use in Canada was the smallest for any month to date this year, while the number produced for export was only exceeded in July. The apparent consumption in Canada during October was 740 cars, determined by adding the output for sale in this country to imports of 49 cars. During September the same calculation showed domestic consumption of 1,137 cars and in October, 1931, the total was 893 cars.

Output for the first ten months of 1932 was substantially below output for the same period of 1931, which, in turn, was much lower than in the first ten months of 1930. Decreases in production for the first ten months of 1930, 1931 and 1932 are shown in the following table:

Automobile Production in Canada
(First Ten Months of 1930, 1931, 1932)

	Total	Passenger Cars	Trucks
1930	143,163	117,690	25,473
1931	78,935	62,257	16,678
1932	56,473	47,501	8,972

COAL OUTPUT ROSE LITTLE IN OCTOBER

Production For Month Was 20% Below Five Year Average

Production of coal in Canada during October totalled 1,229,167 tons. This was an increase over the October 1931, output of 1,226,032 tons, but was 20.3 per cent below the five-year average for production in October, according to the Dominion Bureau of Statistics.

Canada imported 1,331,774 tons of coal in October compared with imports of 1,296,274 tons in September and with a five-year average for October of 1,872,413 tons. Receipts of anthracite from the United States exceeded receipts of such coal from Great Britain for the first time since April, 1932. Imports from the United States were 203,189 tons compared with 140,916 tons from Britain.

From May to October, inclusive, Canada imported 55.1 per cent of her anthracite requirements from Great Britain, 43.5 per cent from the United States and 1.4 per cent from Germany. Bituminous imports during October were chiefly comprised of 949,388 tons from the United States and 31,425 tons from Britain.

Canadian coal exports in October were only 17,748 tons, a decline of 73.7 per cent from the five-year average for the month of 67,563 tons.

Coke production in Canada during October was 131,472 tons, exceeding the September total of 126,639 tons by four per cent, and being the largest output for any month since April. In October, 1931, output was 140,328 tons.

Reports from producers indicate that their sales of coke in Canada for domestic use rose from 59,138 tons in September to 103,572 tons in October.

Door to Door Gold Buyers Must Have Special Permit

Toronto's Board of Police Commissioners has ruled that representatives of firms going from door to door in the city buying articles made of precious metals, chiefly gold, must do so under a special license.

Due to the premium paid for gold by the Canadian Government, there is a profit in melting down odd pieces of the metal bought at a price equivalent to the gold content of the Canadian dollar. To get this profit, agents have been purchasing every kind of old gold and small pieces of the metal by door to door canvass, and have been melting it down for sale to the mint at Ottawa.

Representatives of the Canadian Jewellers' Association have objected to the practice,

Shaughnessy is Upheld by Privy Council Decision

From Our Own Correspondent

MONTREAL. — Appeal of Lady Mortimer Davis and Mortimer Davis, jr., from rulings of the Quebec courts which refused their action to remove Lord Shaughnessy and Alexander Reaper as trustees and executors of the estate of the late Sir Mortimer Davis, has been dismissed by the Judicial Committee of the Privy Council. Decision brings to a close a case which attracted investors' interest since it involved management and operation of Canadian Industrial Alcohol as the chief asset in the Davis estate.

Adds New Line

L. F. WINCHELL, general manager of Hinde & Dauch Paper Co. of Canada. Paperboard, now being made by this company, places idle equipment in operation, gives employment to 35 men.

Moore Companies Pay in U.S. Funds

Moore Corp. and F. N. Burt Co., which are both affiliated companies in the Moore group, have found a perceptible increase during the autumn months in the business of the United States plants. There is an inclination among officers of the company to stress the word "perceptible" because the increase has not been great enough to change the situation as to dividend payments or to give any sure sign as to prospects during the next five or six months.

The increase in enquiries is regarded as hopeful, but as usual the company expects that business will bear a steady relation to the general activity of business in its various districts. Both companies, with their largest and most numerous plants in the United States, continue to pay in United States funds, a matter of considerable importance to Canadian shareholders as it renders them more or less indifferent to the fluctuations of exchange in the Canadian dollar.

BLDG. PRODUCTS MAINTAINS SALES AT EVEN LEVEL

Little Variation Noted in Recent Months' Business

From Our Own Correspondent

MONTREAL.—Sales of Building Products have shown little variation in recent months and though on a lower basis than last year have not tended to show any noticeable decline from levels established in September. When the dividend rate was lowered to the present basis of $1 a share on the common in the early part of October directors confidently expected that the company would be able to earn that payment.

At the end of the current year Building Products will have distributed $1.60 a share on its common stock against a disbursement of $2 in 1931. Dividends have been cut twice this year; how earnings will compare with the $1 rate now in force remains to be seen. In 1931 earnings were equal to $2.18 a share.

Building activity has fallen sharply and natural sales channels of the company have been hampered by continued inactivity in construction. Capital structure is favorable, however, and the 116,346 shares of class "A" and 4,500 shares of class "B" common constitute the only securities outstanding.

Some improvement was noted in building activity in October. Value of building authorized in 61 cities showed an increase of 38 per cent over the previous month but were down 63 per cent from October of last year. Extent of the drop in construction is seen in aggregate figures on building permits for the first ten months of the current year. These totalled $35,396,886, lowest figure to be reported for that period since 1920, and compared with $97,045,622 in the corresponding months of 1931.

WESTERN STEEL AFFAIRS PLACED IN BETTER SHAPE

Headway Made in Untangling Problems of George Reed Co.

From Our Own Correspondent

MONTREAL.—Further progress in whipping the affairs of Western Steel Products into shape has been made by R. J. Magor operating the company for the National Trust Co., trustees for the bond issue. Though sales and earnings are still at a low level, groundwork for improvement has been laid and an efficient cost accounting system recently put into operation enables the management to keep a close check on results.

Much headway has been made in straightening out the tangles which surrounded activities of George W. Reed Co., Montreal subsidiary. Expenses have been reduced and operations of all plants placed on a more systematic basis. It is too early to consider plans for a reorganization of capital structure, it is understood.

Loss is Reduced

Figures on the financial position have not been published. It was officially stated at the end of the first six months of this year that though sales had declined severely, net loss on operations was less than one-third of the loss sustained in the same period of 1931. The loss was recorded before provision for bond interest and depreciation.

There is little change in the situation surrounding Corporate Steel Products, the parent organization, it is understood. The company is in the hands of a liquidator who has not yet issued any statement regarding final disposition of the estate. James A. Richardson, in a letter to security holders, held a gloomy view of the prospects for shareholders of Corporate Steel Products.

FOOTNOTES AT OTTAWA

(Continued from page 11)

presently enjoyed, to increase subsidies, to unload provincial services upon Ottawa.

As for unemployment insurance, the Bennett government is prepared to go a long way to establish a contributory system. It is anticipated, however, that some of the provinces will oppose such a scheme, will do so on the ground that industry cannot support further increases in production costs and compete with the world.

In all probability the conference will yield the most valuable results in hammering out a new policy of Federal assistance in unemployment direct relief to married persons. It is known that the Dominion has taken over the total cost of caring for unemployed single men. With regard to married persons the existing position is that the Dominion pays one-third, the provinces one-third and the municipalities the remaining third.

Quite recently the four Western provinces came to Ottawa demanding that the Dominion bear one-half this cost. The Dominion not only refused this request, but made a vigorous effort to get out entirely from under relief payments to married people. It is probable that a makeshift arrangement will be entered into whereby this relief work can be carried on until the conference meets, leaving it to the conference to devise a permanent policy.

SEES CANADA GAINING MUCH LARGER PORTION WORLD WHEAT TRADE

(Continued from page 8)

culture on the collectivist system were undertaken, a good deal of alarm was felt lest Russia should be able to flood world markets with wheat produced at lower costs than were elsewhere possible. In two previous reviews of the wheat situation by United Grain Growers Limited difficulties in the way of such a programme had been pointed out and actual developments have supported the stand then taken. Nevertheless Russia's return to the international wheat market and her shipments of wheat to a market already over-supplied have intensified the difficulties of producers in other countries. Before the war Russia's average annual wheat production was 757 million bushels out of which she exported an average of 165 million bushels annually. After the war Russia was occasionally an importer of wheat and her exports were not important until 1930-1931. In 1930 her crop was more than 1,000,000,000 bushels, out of which she exported 112 million bushels. In 1931, out of a crop of 960 million bushels, she was able to export 70 million bushels. The 1932 crop is estimated at 800 million bushels and possible Russian exports this year have been put at about 40 million bushels. These are official figures, but competent observers believe that no such increase from pre-war production as they indicate has taken place. Pre-war figures are believed to have much underestimated production, while later figures may be too large.

Home Needs Are Enormous

It has not been possible to sustain the high production of 1930, and this appears to have been due, not altogether to less favorable weather, but to difficulties in the way of securing the hoped for results from collectivized and industrialized agriculture. The Russian wheat problem is not that of producing for export, but rather to ensure a sufficient supply to feed her increasing population, and it is probable that some of the land and some of the effort previously devoted to wheat will have to be used to produce other kinds of food, especially meat and dairy products. It is a reasonable expectation that Russia's own food requirements can absorb all the wheat likely to be produced for several years, but that does not put wheat exports out of the question. The government has control of the situation and, when the need for foreign credits is sufficient, may decide to force exports even at the expense of the home consumer.

U. S. to Cut Production

Possibility of considerable reduction in United States wheat production is seen in the fact that neither the United States nor farmers there now value the export trade in wheat. It is accepted as a fact that both would be better off if no surplus wheat were raised beyond the country's own requirements. Then the tariff would raise internal prices and such an increase would be generally accepted by consumers as desirable. A practical scheme for equitable general reduction in acreage that would eliminate export surplus would be gladly received. In the absence of a workable plan it seems not unlikely that economic pressure will bring about such a reduction. Present prices weigh more heavily on farmers there than in Canada, because of higher taxes and interest obligations on highly valued land.

A large part, however, of the area planted to wheat has been brought under cultivation only fairly because it seemed to offer an inviting field for the investment of a large amount of capital operating large scale farms almost altogether with machinery. A number of these have already ceased to operate and present prices both preclude the investment of new capital and the efficient upkeep of such enterprises. Elimination of the United States as an exporting country should not be considered an impossibility.

Lack of Normal Market

In July, 1931, the United States Farm Board, and the Canadian Pool Central Selling Agency almost simultaneously ceased to accept more wheat. Each of these organizations had occupied so large a place in the market that for either to withdraw was bound to create difficulties. When they did so together the strain was that much greater and has lasted longer than was anticipated. Through the latter organization the risk of price changes on a large part of the Canadian crop has been carried for the account of those farmers making use of its service. When the change was made it meant that other persons or institutions had to be found to carry that risk, which was done through the hedging machinery of the futures market. At that time the new buyers that the situation called for were to a large extent lacking, owing to several causes. One was doubt as to the actual value of wheat. One was that purchasers abroad had got out of the habit of protecting their future needs by advance purchases in the futures market. Another was the general state of business uncertainty and large business losses which had occurred. In the United States the operations of the Farm Board had practically driven other buyers out of the market except for immediate needs. In addition there was the prospect of liquidation, which has not yet been completed, of the large stocks, more than 300 million bushels altogether, which had been under control of these organizations.

British Preferential Duty

The report makes clear that the company considered the British preferential duty plan adopted at the Imperial Conference much preferable to a quota scheme in which considerable dangers were seen. An important outcome of the conference was avoiding a quota plan for the British wheat market, which, it was understood in advance, was favored by the British cabinet. Prior to the conference, the company had presented a statement to the Canadian Government. In that it was definitely stated that a quota system would not only be of no benefit to the farmers of Western Canada, but would be likely to injure their interests. The basis for that statement lies in the fact that if wheat from other countries should be excluded by quota from the British market it would tend to intensify competition in other markets to which Canada must also sell wheat and to drive down the general price level. Similar consequences, it was felt and reported to the Government, could be expected from high British tariffs on foreign wheat.

Small Tariff of Help

But, the company advised, different consequences were to be expected should Great Britain establish a low tariff against foreign wheat, and two shillings a quarter was the limit which was suggested for such tariff. Such a tariff, although its total advantages were considered doubtful, might be absorbed in the general price structure, tending to increase the differential in price between Canadian wheat and wheat of other countries, at times resulting in somewhat higher prices for Canadian wheat and at other times in somewhat lower prices for other wheat. This was the plan actually adopted and dangers inherent in other possible plans were avoided.

Switch in Flour Trade

Great Britain agreed to maintain the free entry of Canadian flour to the British market, although strongly urged by flour and grain trade interests in Great Britain to establish a duty on Canadian flour as an offset to the duty imposed on foreign wheat. It was important, and the company had so advised the Canadian Government, to retain the admission of Canadian flour to Great Britain on the same terms as wheat, because the presence of our flour in that market tends to set a standard for flour quality and to result in greater demand for Canadian wheat to be included in the British millers' mix. Great Britain now imposes a tax of ten per cent against foreign flour. This has put a stop to the large milling business which formerly existed at Buffalo for milling Canadian wheat in bond for shipment to the United Kingdom. With a tax against Canadian flour there would be no chance of transfer of any of that market to Canada.

Seek Common Negotiations

So far as negotiations with other countries on the subject of wheat is concerned emphasis is laid on dealing with customers rather than with competitors. The concluding paragraph in the memorandum are as follows:

"The suggestion made in this company's memorandum in connection with the Imperial Conference may be repeated here, that the governments of the countries of the Empire should together explore the possibility of common negotiations with foreign countries, with a view to bringing about advantages to all concerned, and particularly freer world wheat markets. If any general relief can be obtained from the restrictions which now hamper and strangle the trade of the world it will mean more to the Canadian producer than any immediate alterations in the British market system.

"Suggestions are occasionally heard for international agreements aimed at reducing wheat acreage in order to bring about higher prices. Such ideas should be approached with caution, in the light of the failure of previous attempts to advance or maintain the price of wheat and of other commodities, of the failure of previous international wheat conference to reach agreements for the allocation of markets between different countries, and of the failure of other acreage reduction schemes in different commodities in other countries. Such plans are likely to result in increased instead of decreased acreage, if not on the part of those who make agreements, at least by those who remain outside their scope.

"The business of growing wheat for the international market is, and must probably remain, a highly competitive one, and Canada, by the expansion of the West, is demanding a share of it which she can only hope to maintain by competitive methods. The very high grade of Canada's crop of 1932 has given us a far greater quantity than ever before of wheat unsurpassed in the world for quality, and it is quite possible as such wheat goes into use and consumers get accustomed to its quality that we are permanently enlarging our share of the world market."

Alberta Potteries Plant Active

The Alberta Potteries at Redcliff took off a kilnfull—about 2,000 pieces—of pottery the other day, being jugs, vases and ornaments, in response to a growing demand. This is the first time the large kiln has operated, but indications are that it will be kept busy for some time on present and prospective orders.

Poultry Exports Show Increase

Poultry exports to the United Kingdom this year are more than four times as large as last year. The first six months of the fiscal year show poultry exports to that market at 224,822 pounds as compared with 48,322 pounds in the same period last year.

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Mining Stock Quotations

Week Ending November 28

Par Val.	Range 1932 High	Low	Company	Sales	Close Nov. 21 (or last)	High for week	Low for week	Close Nov.28
1	.06	.02½	Abana..........	400	.03	.03	.02½	.03
1	.03	.00¾	Aconda..........	3,000	.00½	.01	.01	.01
No	.15	.15	Aldermac........	......	.15	.....	.....	.....
No	.20	.03½	Algoma..........	3,600	.03½	.04½	.03½	.03½
1	.09	.00½	Alexandria.......	5,500	.01½	.01½	.01½	.01½
1	.01½	.00½	Algonquin.......	1,000	.00½	.00½	.00½	.00½
1	.01½	.00½	Amity C.........	1,000	.00½	.00½	.00½	.00½
No	.36	.06	Amulet..........	4,375	.18½	.18½	.15	.15
1	.00½	.00½	Apex............	......	.00½	.....	.....	.....
1	.04	.01	Area............	500	.02½	.02½	.02½	.02½
No	.03½	.00½	Arno............	21,700	.02½	.02½	.02	.02½
1	.70	.65	Ashley Gold.....	1,820	.70	.70	.70	.70
1	.02½	.02	Astoria Rouyn...	......	.02½	.....	.....	.....
1	.07	.01	Bagamac.........	1,000	.02	.02	.02	.02
1	.01½	.00½	Baldwin.........	......	.01	.....	.....	.....
1	.12	.03	Barry Hollinger..	47,900	.05½	.07½	.05½	.07½
No	1.45	.30	Base Metals.....	100	.70	.70	.70	.70
No	.12	.01	Bidgood.........	20,000	.01½	.01½	.01½	.01½
1	.21	.04	Big Missouri.....	6,200	.14½	.13	.11	.12½
1	.11½	.02	Bobjo...........	25,100	.09	.08½	.07½	.08½
1	.23	.02½	Brett Trethewey.	9,700	.15	.15	.13	.14
No	.03	.00½	Brownlee........	......	.01½	.....	.....	.....
1	.01	.00½	Buckingham......	......	.00½	.....	.....	.....
No	.36	.02	Buffalo Can......	2,000	.02½	.02½	.02½	.02½
No	.04	.01	Bunker Hill......	......	.01½	.....	.....	.....
5s	1.03	.10	B'Wana McKubwa	......	.80	.....	.....	.....
No	.01	.00½	Cal. Flin Flon....	......	.01	.....	.....	.....
No	.04	.02	Canam Metals....	......	.02	.....	.....	.....
1	.04	.01½	Can. Kirkland...	5,800	.02½	.03	.02½	.03
No	.02½	.00¾	Capital Rouyn...	1,000	.00½	.00½	.00½	.00½
1	.07	.02½	Cartier Malartic.	500	.03½	.02½	.02½	.02½
1	.21½	.09	Castle Trethewey	5,300	.20	.18	.15	.17½
1	.09½	.04	Cen. Manitoba...	8,400	.05	.07	.05½	.07
1	.17	.02	Cen. Patricia....	10,125	.12	.13½	.12	.13
No	.07½	.01½	Chibougamau Pros.	500	.04½	.04	.04	.04
No	.02	.00¾	Clericy..........	3,500	.01½	.01½	.00¾	.01½
5	5.00	.45	Coast Copper....	245	2.50	2.60	2.50	2.50
1	.02½	.00¾	Cobalt Contact..	......	.01½	.....	.....	.....
No	.16	.15	Cobuc...........	......	.15½	.....	.....	.....
1	.14	.03	Columario.......	6,200	.09½	.09½	.08	09½
5	2.00	.69	Coniagas........	......	2.00	.....	.....	.....
No	.50	.23	Coniaurum......	8,708	.29	.30	.28	.30
25	102.00	25.00	Cons. Smelters...	1,689	67.50	68.00	60.00	62.50
No	14.25	9.00	Dome Mines.....	16,105	13.25	14.25	13.10	14.10
No	.10	.02	Dom. Explorers..	11,500	.04	.03½	.03½	.03½
.	.00¾	.00½	Dominion Kirk...	......	.00½	.....	.....	.....
1	.04	.00½	Don Rouyn......	......	.01½	.....	.....	.....
.	.04	.02½	Duparquet......	......	.02½	.....	.....	.....
1	1.60	.76	Eldorado........	5,325	1.25	1.30	1.21	1.26
No	2.40	.47	Falconbridge.....	2,075	1.80	1.80	1.75	1.76
1	.04	.00½	Federal.........	5,500	.01	.01	.01	.01
No	.00½	.00½	Flintoba........	......	.00½	.....	.....	.....
No	.07	.00½	Gem. Lake......	......	.01½	.....	.....	.....
1	.03	.00½	Goldale.........	5,700	.02	.02½	.01½	.02½
10	.24	.05½	Goldfield........	500	.22	.15	.15	.15
1	.00½	.00½	Gold Hill........	......	.00½	.....	.....	.....
1	.04	.02½	Goodfish........	10,500	.03	.03	.03	.03
1	.03½	.00½	Graham.........	......	.01½	.....	.....	.....
1	1.25	.50	Granada........	5,600	.85	.88	.80	.86
1	.22	.05	Grozelle........	......	.05	.....	.....	.....
1	.03½	.01	Harker..........	2,000	.02	.01½	.01	.01
1	.01½	.00½	Hilltop..........	4,000	.00½	.00½	.00½	.00½
5	5.80	4.25	Hollinger........	18,067	5.50	5.75	5.45	5.65
1	.72	.26	Howey Gold.....	22,840	.58	.59	.55	.57
No	5.30	.92	Hudson Bay.....	4,166	4.10	4.20	3.87	4.00
No	.36	.13	Huronian........	900	.36	.35	.34	.34
No	13.50	4.00	Int. Nickel......	14,314	9.87	9.75	9.00	9.25
1	.01½	.00½	Jackson Manion..	......	.00½	.....	.....	.....
1	.25	.19	Keeley..........	......	.24	.....	.....	.....
1	.02½	.00½	Keora Mines....	50,500	.01½	.02	.01½	.02
1	.70	.40	Kirk. Hud. Bay..	2,900	.50	.52	.50	.50
1	.02½	.00½	Kirk. Hunton....	......	.00½	.....	.....	.....
1	.55	.19	Kirkland Lake...	22,700	.30	.33	.27½	.30
1	.03½	.00½	Kirkland Premier	......	.02½	.....	.....	.....
1	.15½	.05	Kirk. Townsite...	9,000	.12	.11	.10	.11
20c	.01½	.00½	Koot. Florence...	......	.00½	.....	.....	.....
1	.01½	.00½	La Rose.........	......	.01½	.....	.....	.....
1	.41	.10	Lakeland........	500	.10	.15	.15	.15
.	.29	.10	Lake Maron.....	79,100	.22	.23	.18	.18
1	34.00	24.90	Lake Shore......	20,255	31.50	34.00	30.75	33.25
1	.00½	.00½	Laval...........	......	.00½	.....	.....	.....
1	.07	.01½	Lebel Oro.......	34,013	.01½	.04½	.02	.03
1	.41	.13	Macassa........	42,050	.19½	.22	.19	.20
1	.07	.02½	Malartic........	11,000	.04½	.04½	.04	.04½
1	.04	.00½	Malrobic........	32,500	.01½	.01½	.01½	.01½
No	.08	.02	Mandy..........	......	.04	.....	.....	.....
No	.02	.00½	Manitoba Basin..	77,500	.01½	.01½	.01	.01½
5	24.75	14.70	McIntyre........	28,191	24.00	24.75	22.50	23.90
1	.35	.25	McKinley........	......	.33	.....	.....	.....
No	.09½	.02½	McLeod River...	21,500	.03½	.03½	.02½	.02½
No	1.85	.58	Mining Corp.....	850	1.30	1.25	1.10	1.20
1	.08½	.01½	Moffatt Hall.....	12,100	.02	.02	.01½	.01½
1	.02½	.02	Moneta.........	......	.02	.....	.....	.....
1	.45	.19½	Moss...........	26,400	.23	.23	.20	.20
1	.02½	.00½	Murphy.........	16,000	.00½	.00½	.00½	.00½
No	.06½	.01	Newbec.........	13,600	.05½	.05½	.05½	.05½
5	1.48	.50	Nipissing........	2,450	1.10	1.20	1.13	1.15
No	23.25	12.50	Noranda........	11,400	21.00	21.25	20.00	21.00
No	.39	.10	Nor. Canada.....	8,800	.30	.29	.26	.27
.	.72	.72	Northern Metals.	400	.....	.75	.75	.75
No	.01	.00½	Old Colony......	1,000	.00½	00½	.00½	.00½
1	.09	.05	Osisko..........	......	.06	.....	.....	.....
1	.17	.07	Parkhill.........	8,300	.12	.12	.10	.11
1	.13½	.11	Patricia Dent....	......	.13	.....	.....	.....
1	.02	.01	Pawnee Kirk.....	1,000	.01½	.01½	.01½	.01½
No	1.25	.35	Pend Oreille.....	1,600	.68	.62	.60	.60
1	.01½	.00½	Peterson Cobalt..	......	.00¾	.....	.....	.....
1	4.90	3.00	Pioneer Gold B.C.	11,070	4.70	4.90	4.50	4.75
1	.00¾	.00½	Porcupine Crown.	......	.00¾	.....	.....	.....
1	.02	.00½	Potter Doal......	......	.00½	.....	.....	.....
1	.52	.12	Powell Rouyn....	......	.12	.....	.....	.....
1	.75	.32	Premier Gold....	1,600	.61	.60	.58	.59
1	.01	.00½	Preston E. Dome.	2,000	.00¾	.01	.01	.01
No	1.18	.15	Prospectors Air's.	1,650	1.10	1.00	1.00	1.00
No	1.00	1.00	Quebec Pros......	......	1.00	.....	.....	.....
No	.10	.03	Quemont........	......	.04	.....	.....	.....
1	.02½	.00½	Ribago..........	121,000	.01	.01½	.01	.01
1	.02½	.01	Ritchie..........	3,000	.01	.01	.01	.01
1	.02½	.00½	Robb Montbray .	1,000	.01	.01	.01	.01
1	.70	.25	San Antonio.....	8,394	.65	.66	.60	.65
1	.09	.07½	Seven Troughs...	......	.07½	.....	.....	.....
1	.77	.18	Sherritt Gordon..	12,720	.43	.43	.38	.40½
1	1.00	.50	Siscoe..........	58,205	.83	.88	.80	.88
1	.07	.00½	South Keora.....	17,500	.06½	.06½	.05½	.06½
No	.02½	.00½	Stadacona.......	36,000	.01½	.02	.01½	.01½
1	.17	.05	St. Anthony.....	6,100	.06	.07	.06	.06
No	.90	.16	Sudbury Basin...	7,605	.55	.62	.55	.60
1	.02½	.00¾	Sudbury Contact.	......	.02½	.....	.....	.....
1	.01	.00½	Sudbury Mines...	500	.00½	.00½	.00½	.00½
1	.22	.07	Sullivan.........	3,800	.14½	.15	.14	.14
1	.87	.39	Sylvanite........	9,900	.72	.74	.65½	.72
1	.07	.01	Tashota.........	27,000	.02½	.02½	.02	.02
1	5.25	3.05	Teck Hughes....	44,030	3.40	3.56	3.28	3.54
1	.07½	.02	Thom. Cadillac..	......	.05	.....	.....	.....
1	.40	.10	Towagmac......	1,850	.20	.17	.10	.12
1	3.00	1.00	Treadwell.......	25	1.10	1.00	1.00	1.00
1	.09½	.02	United Kirkland.	......	.05	.....	.....	.....
1	.12	.00½	Vacuum Gas.....	38,000	.07	.07½	.06½	.06½
No	1.10	.16	Ventures........	23,835	.73	.74	.67	.72
1	.18	.04	Vickers.........	500	.12	.12	.12	.12
1	.45	.20	Vipond.........	1,110	.24	.23	.20	.20
No	1.01	.25	Waite Ackerman.	300	.40	.45	.40	.41
1	.08	.01	White Lake......	......	.04	.....	.....	.....
1	.01	.00½	Wiltsey Coughlan	......	.01	.....	.....	.....
	.10	.04½	Wood Kirkland..	......	.05	.....	.....	.....
No	3.15	2.00	Wright-Hargreaves	36,000	3.00	3.08	2.90	3.65

OIL STOCKS

Par Val.	Range 1932 High	Low	Company	Sales	Close Nov. 21 (or last)	High for week	Low for week	Close Nov.28
No	.19	.07½	Acme Gas & Oil..	8,700	.10	.11½	.09½	.09½
1	1.17	.60	Ajax............	1,850	.70	.75	.70	.70
1	.18	.04½	Alta. Pacific.....	400	.08	.09	.09	.09
1	.03½	.02	Askalta.........	......	.03½	.....	.....	.....
No	.20	.02	Associated......	100	.07	.07	.07	.07
No	.09	.01	Baltac..........	4,100	.02½	.02½	.02½	.02½
	.05½	.00½	Benton.........	......	.00½	.....	.....	.....
1	.05	.02½	Brit. Dominion...	......	.03½	.....	.....	.....
No	.60	.14	Calgary & Ed....	500	.40	.35	.35	.35
1	.15	.04	Calmont........	700	.05	.05	.04	.05
1	.14	.03	Common. Pete...	......	.06	.....	.....	.....
No	.40	.05½	Dalhousie.......	225	.20	.25	.16	.16
No	.01	.01	Devenish........	......	.01	.....	.....	.....
No	.02	.00½	Dome Oil........	......	.00½	.....	.....	.....
No	.16	.04	East Crest......	......	.06	.....	.....	.....
No	.01½	.01½	Fabyan Pete.....	......	.01½	.....	.....	.....
No	.25	.05	Foothills........	......	.15	.....	.....	.....
No	.03½	.02	Freehold........	......	.02	.....	.....	.....
1	.02	.00½	Great West......	......	.00½	.....	.....	.....
No	.06½	.03	Hargal..........	......	.03	.....	.....	.....
No	.05	.02	High Sarcee.....	......	.02	.....	.....	.....
No	.85	.18	Home...........	210	.35	.45	.35	.35
No	.05	.01½	Homestead......	......	.01½	.....	.....	.....
1	.50	.09	Homestead O & G	41,000	.19	.19½	.16	.19
1	.01	.00½	Ilinois Alberta...	......	00½	.....	.....	.....
No	.02½	.00½	Lethbridge......	......	.00½	.....	.....	.....
No	.10	.04	Lowery.........	......	.10	.....	.....	.....
No	.02	.00½	Madison........	......	.00½	.....	.....	.....
1	.32	.05½	Mayland........	......	.17	.....	.....	.....
No	.04	.01½	McD. Segur Ex...	......	.01½	.....	.....	.....
1	.04½	.01	McD. Segur N....	......	.01	.....	.....	.....
1	.50	.18	McLeod.........	......	.18	.....	.....	.....
No	.10½	.06½	Mercury........	......	.07½	.....	.....	.....
No	.22	.04½	Merland........	......	.15	.....	.....	.....
No	.15	.08½	Mill City Pete...	......	.08½	.....	.....	.....
1	.20	.12½	Model..........	......	.13	.....	.....	.....
1	.05	.04	Monalta........	......	.05	.....	.....	.....
1	.07	.03	Moose Mountain.	......	.03	.....	.....	.....
1	.01	.01	New Federal.....	......	.01	.....	.....	.....
5	.14	.01	Nordon.........	1,500	.08½	.08½	.08½	.08½
No	.06	.03	Oil Selection....	23,500	.03½	.03½	.03	.03
No	.05	.02½	Okalta..........	......	.03	.....	.....	.....
100	15.00	15.00	Do., pref........	......	15.00	.....	.....	.....
No	.32	.09	Olga Gas & Oil...	4,300	.17½	.19	.18	.19
No	.20	.02	Penn. Pete......	150,550	.07	.07	.04½	.04½
No	20.00	20.00	Perfection Pete. pfd.	......	20.00	.....	.....	.....
1	.28	.12	Petrol Oil & Gas.	100	.15	.18	.18	.18
No	.14	.08	Ranchmen's.....	......	.09	.....	.....	.....
1	.01	.00½	Regent.........	......	.01	.....	.....	.....
No	.02½	.01	Richfield........	......	.01	.....	.....	.....
No	9.85	3.95	Royalite.........	1,346	8.00	8.90	8.00	8.40
1	.29½	.05	Sarnia Oil.......	5,000	.08½	.09½	.08	.08
1	.03	.01	Signal Hill......	......	.01	.....	.....	.....
No	.12	.06	South West Pete.	......	.06	.....	.....	.....
1	.20	.10	Spooner........	......	.15	.....	.....	.....
No	.21	.05½	Sterling Pacific...	500	.12	.11	.11	.11
1	.11	.07½	Turner Valley....	......	.07½	.....	.....	.....
No	.08	.03	United..........	......	.03	.....	.....	.....
1	.09½	.03	Vulcan.........	......	.03	.....	.....	.....
No	.02½	.00½	Wainwell........	2,500	.01	.01	.01	.01

VANCOUVER STOCK EXCHANGE

(Transactions for Week to November 22)

Par Val.	Range 1932 High	Low	Company	Sales	Close Nov. 21 (or last)	High for week	Low for week	Close Nov.28
25c	.00½	.00½	Bayview........	......	.00½	.....	.....	.....
20c	.05½	.02½	Beaver Silver....	1,000	.02½	.02½	.02½	.02½
25c	.04	.01	Bluebird........	......	.01	.....	.....	.....
No	.81	.50	Bralorne........	1,887	.63	.69	.62	.69
1	.12	.04	Bridge River Cons.	21,000	.04	.04½	.04	.04½
25c	.01½	.01	Cork Province...	......	.01	.....	.....	.....
1	.13	.02	Cotton Belt......	4,900	.02	.02	.02	.02
1	.01½	.01½	Dalhousie Mines.	......	.01½	.....	.....	.....
1	1.00	.15	George Copper...	200	.50	.46	.46	.46
50c	.02	.01	Geo. Enterprise..	......	.01	.....	.....	.....
1	.05	.01	Georgia River....	59,680	.03	.02½	.02½	.02½
1	.35	.10	Golconda........	200	.18	.16	.16	.16
50c	.08	.02	Grandview......	1,000	.03½	.03½	.03½	.03½
1	.01	.00½	Independence....	......	.00½	.....	.....	.....
1	.01½	.01	Indian Mines....	......	.01	.....	.....	.....
1	.15	.08	Inter. Coal......	1,000	.15	.15	.15	.15
1	.21	.21	Jack Waite......	......	.21	.....	.....	.....
25c	.00½	.00½	Kootenay King..	......	.00½	.....	.....	.....
10c	.04	.01	Lucky Jim.......	......	.01½	.....	.....	.....
5c	.12	.04	Metaline Metals.	......	.06	.....	.....	.....
1	.03	.00½	Morton Woolsey.	......	.01½	.....	.....	.....
50c	.03½	.00½	National Silver...	26,000	.01½	.02	.01½	.01½
50c	.08½	.02	Noble Five......	13,500	.03½	.03½	.03	.03½
50c	.01	.00½	Oregon Copper...	......	.00¾	.....	.....	.....
1	4.75	3.00	Pioneer Gold....	4,530	4.00	4.75	4.15	4.65
50c	.08½	.02	Porter Idaho.....	2,000	.04½	.04½	.04½	.04
No	.01	.00½	Premier Border..	......	.00½	.....	.....	.....
No	.35	.07½	Reeves McDonald	200	.20	.18	.18	.18
1	.63	.21½	Reno Gold.......	16,600	.61	.61½	.57	.58
1	.02½	.00½	Rufus Argenta...	5,000	.01½	.00½	.00½	.00½
1	.05	.02	Ruth Hope......	......	.02	.....	.....	.....
1	.05	.02½	Silverado........	......	.05	.....	.....	.....
25c	.02½	.01	Silver Crest......	14,000	.01	.01	.01	.01
50c	.02¾	.00½	Snowflake.......	5,000	.00¾	.00½	.00½	.00½
1	.79	.25	Sunloch.........	100	.25	.25	.25	.25
No	.06	.06	Vanalta Oils.....	......	.06	.....	.....	.....
20c	.02½	.01	Wellington......	......	.01	.....	.....	.....
1	.06½	.00½	Whitewater......	......	.04	.....	.....	.....

DIVIDEND PAYERS

	Rate	Yield %		Rate	Yield %
Ajax Oil..........	12c.	....	Petrol Oil..........	1c.	....
Coniaurum........	3c.	....	Premier...........	12c.	20.33
Dome Mines......	$1+10c.	7.80	Pioneer, B.C......	24c.	5.05
Hollinger........	65c.+10c.	13.27	Royalite..........	$1.50	....
Howe Sound......	40c.	....	Siscoe............	3c.	....
Lake Shore.......	$2+$1	9.02	Sterling Pac. Oil....	2½c.	....
McIntyre.........	$1.50	6.26	Sylvanite.........	4+1c.	6.94
McLeod Oils......	5c.	....	Teck Hughes......	60c.	16.95
Merland Oils.....	2½c.	....	Wright-Har.......	10+2½c.	4.10
Noranda.........	$1.10	5.23			

Canadian Mining News

ROAN ANTELOPE REPORTS LOSS AFTER RESERVES

Initial Production in N. Rhodesia Has Low Costs

The annual report of Roan-Antelope Copper Mines for the fiscal year ended June 30, 1932, covering the company's initial period of production, shows gross operating earnings of £71,077. After depreciation of £100,000 the net operating loss was £28,923. Following a trial crushing period of three months, commenced on June 1, 1931, the concentrator was put into service. The smelter was blown in and the first copper produced on October 20, 1931.

The income and surplus account covers the ten months period ended June 30, during which time 10,533½ long tons of electrolytic copper were made from concentrates shipped abroad for refining. In addition 20,205 long tons of blister copper were produced. The concentrator treated 1,389,300 short tons of dry ore averaging 3.65 per cent copper. The cost of the blister copper produced and shipped abroad for refining, after allowing for freight, selling and royalties, but before interest and depreciation was brought down to £33½ per long ton.

The cost of blister copper produced at the company's smelter after deducting freight, selling and royalties was brought down to £24 per long ton.

Production Curtailed

Owing to the curtailment in the quota of copper production as decided by the international producers, the average monthly tonnage mined was reduced to 84,300. By arrangement with the Rhodesian Selection Trust a portion of the quota of the Mufulira Copper Mines was produced by Roan-Antelope.

Special interest centres about Roan-Antelope's operations in Canada owing to it being the pioneer producer in Northern Rhodesia, which promises to be a dominating factor in the copper industry owing to its huge deposits and low cost operations.

The balance sheet of the company shows the issued capitalization as 5,719,235 shares of 5s. In addition to this there is £1,500,000 in 7 per cent debentures outstanding.

Current assets including inventories amounted to £600,137 while current liabilities totalled £295,843.

INCOME AND SURPLUS ACCOUNT
Ten Months Ended June 30, 1932

	£
Copper sales	654,990
Metal inventories sold	343,390
	998,380
Less:	
Mining, milling and smelting	643,315
Realization expense	163,638
Oper. surplus	191,426
Less:	
Adminis. exp.	20,061
Quota allocation	2,273
Interest	12,788
Debenture int.	87,500
Gross earn.	68,804
Depreciation	100,000
Oper. loss	31,196
Add: Misc. earn.	436
Net loss	30,760

Dissatisfaction Voiced at Labrador Concessions

Following the announcement that the Newfoundland government had thrown Labrador open to mineral prospecting, dissatisfaction was voiced and criticism levelled at the wholesale areas incorporated under the new prospecting terms. Summarized, the new regulations are as follows:

"An area wtih exclusive right to prospect 100 sq. miles; an expenditure on prospecting during that period of $5,000 per year; a fee of $1,000 for three years. Any discoveries made are subject to application under Crown Lands Act and fees payable under it. Payment of royalties is also included."

The objection voiced to the new mineral prospecting rights is that the areas are entirely too extensive. With rights on 100 sq. miles only 1,100 such opportunities for prospecting are available in the whole of Labrador and since it is highly improbable that the whole area will be mineralized the possible areas would be very much less than 1,100. It is also foreseen that a 100 mile area cannot possibly be effectively prospected in three years even by an aerial survey, thus the individual prospector is practically eliminated while interests blanket large areas. The government move regarding the new arrangement is seen as one to obtain immediate revenue.

Find Reported Already

Two prospecting licenses have already been granted, one to Captain Bondurant and one to C. G. Duley. Captain Bondurant was for some time a pilot in the Canadian Airways fleet stationed on the lower St. Lawrence. It is understood that he is being backed by American interests and he has lived up to his reputation as a spectacular figure by already reporting a find in his new prospecting grant. The find is reported as having been made on a plateau 2,000 feet above sea level adjacent to Grand Falls, Labrador. Details of the find are not yet available.

Ashley Shares Called For Trading on Standard

Shares of Ashley Gold Mining Corp., Mining Corp. of Canada's new subsidiary in the Matachewan district of Ontario, has been listed and called for trading on the Standard Stock & Mining Exchange under the ticker abbreviation of A. E.

The property came into production on August 25, and recently an offering was made to Mining Corp. shareholders in the form of rights at 60 cents per share. The initial sale made to the Standard Exchange was at 65 cents per share.

To Refuse Water Leases to Quebec Mining Prospects

From Our Own Correspondent

MONTREAL.—The Quebec government has adopted a policy whereby no further leases for water powers will be granted to mining companies where there are developed power plants. A large number of mining companies are now seeking leases from the Provincial Hydraulic Service.

The government, it is stated, is not considering these leases as there are already too many granted which remain inoperative.

Canada's Oil Production Not on Profitable Basis

One of Canada's Little Known Mineral Resources Under Review

Number Three

While the general public may be reasonably familiar with Canada's petroleum production in recent years, this knowledge has not made it aware of the true position of the industry today. While in 1931 output was estimated at 1,542,573 barrels valued at $4,211,674, the greatest volume in Canada's history, it is relatively unimportant when compared with the huge importations, by Canada, of petroleum and its products. In 1931 the imports were valued at over $40,000,000 and in 1930 at nearly $65,000,000.

Canada's history as a petroleum producer dates back to 1858 when the first productive well on the American continent was drilled near Oil Springs, Ont. This pioneer effort resulted in the development of Canada's greatest known oil field, which reached a maximum production in 1894 with an output of 829,104 barrels, little more than half the 1931 production. Subsequent production showed a rapid decline from this pioneer field and it was not until 1924 when the Royalite No. 4 well of Imperial Oil Co. penetrated the limestone formation in Turner Valley, Alberta, and released an unexpected and voluminous flow of wet gas bearing crude naphtha that any extensive drilling campaign was undertaken. This one area now accounts for about 90 per cent of Canada's total petroleum production. Strictly speaking, it is not a petroleum field, but a wet gas field, from which crude naphtha is extracted at an appalling waste of millions of cubic feet of gas, principally burned to waste in the field for the lack of a market.

Drilling Started in 1900

Many efforts have been made to develop oil in Western Canada, principally in Alberta, and as early as 1900 drilling was undertaken in the extreme southwestern corner of Alberta. It was not, however, until 1913 that drilling operations started in Turner Valley. In May, 1914, crude oil was struck in the porous strata overlying the limestone formation in Turner Valley which precipitated a wild orgy of promotion that ended ignominiously when the World War submerged interest in the exploration for oil.

Following the World War, Imperial Oil undertook an extensive search for oil in Western Canada. In all something like 30 wells were drilled, in addition to the wells drilled in Turner Valley, and approximately $12,000,000 was spent on this exploration effort. The search extended from the Alberta-Montana boundary to the foothills of the Rocky Mountains as well as in the eastern or plain area of the province. Drilling was carried as far north as Fort Norman on the Mackenzie River. Five wells were drilled in the Fort Norman area in 1920 and following years, two of which gave the greatest evidence of being crude oil producers of any wells drilled to date in Western Canada. Initial flow indicated about 100 barrels each, daily. It was not until midsummer, 1932, that any commercial production was taken from these wells when about 2,000 barrels was utilized to assist initial mining operations in the Great Bear Lake area.

Almost everywhere that drilling was undertaken there was some manifestation of oil and gas and out of the 30 wells drilled three encountered huge flows of gas but the wells remain capped owing to there being no market for gas.

Since 1924 drilling in Turner Valley area proceeded without restraint and altogether approximately 160 wells were drilled at an estimated cost of $28,000,000. Much of this drilling was at the insistence of the leaseholders who looked to profits from royalties. This unregulated drilling also caused much offset drilling where the wells were near the border of other leases. The result was that without regard for the enormous waste of gas drilling went on unrestricted until the summer of 1931 when the Alberta Government took steps to appoint a commission and regulate the gas flow and the resultant naphtha output, by the formation of the Turner Valley Gas Conservation Commission.

Imperial Oil through its subsidiary companies, following the drilling of the Royalite No. 4 well, made contracts with the gas company in Calgary to supply its principal requirements from Turner Valley. Thus, by pioneering the field Imperial Oil profited through finding a market for at least a portion of its gas after the crude naphtha had been extracted.

As drilling progressed Imperial was forced to drill an increasing number of offset wells to protect its own interests and to date this company and its various subsidiary interests have 48 producing wells, which in 1931 produced 625,000 barrels of crude naphtha from about 77,000,000 thousand cu. ft. of wet gas. This is equivalent to one barrel of crude naphtha for each 120,000 cu. ft. of gass, which is approximately one-half of the total gas flow from the field. About 6 per cent of this gas has found a market in Calgary through the Imperial Oil pipe lines.

Now that the gas production and consequently the naphtha output from Turner Valley is under the regulation of the Conservation Commission, naphtha output is brought down to a fraction of the 1931 output. Furthermore, the starting of new wells is prohibited with the limestone formation as an objective.

From practically all of the Turner Valley wells a small crude oil flow was encountered in the porous strata overlying the limestone. This production is continued and is being encouraged, although the cost of drilling wells to this great depth for the small flow of crude oil from these strata, in the past has not proved profitable.

While Turner Valley has been the only field that has given a commercial production and this indirectly as a by-product of wet gas, wildcat drilling has been conducted by many other companies aside from the effort of Imperial Oil. In the Wainwright area relatively shallow wells gave a small production of heavy crude, but here the flow was not sufficient to be considered commercial and there have been no profitable operations.

In the Red Coulee area, adjacent to the Montana boundary, several relatively shallow wells have had initial flows of crude oil that were encouraging. To date the profitable aspects have not been demonstrated.

The oil development over the past twelve years now can be summed up by saying something like 1,300 companies have been formed to test the oil potentialities of Western Canada. About 260 wells have been drilled altogether, but with the exception of the crude naphtha production from Turner Valley, there have been no profitable fields developed.

A survey of the wet gas and naphtha produced in the Turner Valley field of Alberta shows that nine companies have paid a total of $3,157,727 in dividends to date. The list includes: Royalite Oil, Home Oil Co., Mercury, United Oils, Model Oil, Merland Oil, Wellington Oil, Sterling Pacific, Macleod Oil. Royalite has contributed over half of its dividends in disbursements totalling $1,750,000 Home Oil comes next with disbursements totalling $924,000. The other seven dividend-payers share the balance, or $583,727.

The only other commercial production to be reported in Canada is the limited flow from the Stoney Creek field, about nine miles southeast of Moncton, New Brunswick. In 1931 this production amounted to 6,577 barrels.

In Manitoba, Saskatchewan and British Columbia several wells have been drilled that have given showings of oil, but to date no commercial production has been attained and in the meantime Canada relies almost entirely upon foreign fields for its source of supply.

Dividends By Gold Mines Up 50 Per Cent Over 1930

Mining Dividends in 1932 $22,178,705 or About One-half of Record Year 1930—Dividends By Gold Mines in 1932 Are 83 Per Cent of Total

The dividends from Canada's metal mining enterprises have dropped from $44,737,873 in the peak year of 1930 to $22,178,705 for 1932 and an analysis shows that the decline is entirely attributable to the base metal mining enterprises and that the gold producers have increased dividends over 50 per cent.

In 1930 seven dividend-paying gold mines paid shareholders $12,189,783, while in 1932 dividends paid or declared from 13 mines totalled $18,422,757. That is, the gold mines accounted for 83 per cent of the dividends paid by Canada's metal mining industry in 1932 as compared with 27 per cent in 1930.

The following tabulation shows a comparison of dividends paid by Canada's metal mines for the past four years:

METAL MINING DIVIDENDS
Paid in Years Ended December 31

	1929 $	1930 $	1931 $	1932 $
British Columbia:				
Bell Mines	49,539	1,000	4,800	....
Con. Smelters	6,373,750	6,519,206	2,748,421	....
Granby	3,149,788	2,362,341	668,360	56,250
Highland Lass	....	....	3,081	9,243
Howe Sound* (U.S.)	2,480,190	1,984,152	1,100,030	264,655
Pioneer	....	....	150,457	210,210
Premier	1,210,218	1,050,773	635,713	635,713
Total	13,263,485	11,917,472	5,310,862	1,176,071
Ontario				
Coniaurum	....	....	....	80,923
Dome (U.S.)	953,834	953,334	953,334	1,239,334
Hollinger	3,198,000	3,444,000	3,444,000	3,690,000
McIntyre (U.S.)	798,000	798,000	798,000	997,500
Lake Shore	2,000,000	3,000,000	4,800,000	6,000,000
Sylvanite (U.S.)	....	65,990	131,980	164,975
Teck Hughes	2,870,786	2,876,786	3,116,643	3,122,644
Wright Hargreaves (U.S.)	....	....	825,000	962,500
Int. Nickel* (U.S.)	14,416,205	16,082,861	8,494,406	1,933,938
Total	24,236,325	27,220,971	22,563,363	18,191,814
Quebec				
Noranda (U.S.)	....	5,599,430	1,119,886	2,463,749
Siscoe	....	....	....	347,071
Total	....	5,999,430	1,119,886	2,810,820
GRAND TOTAL	37,499,810	44,737,873	28,994,111	22,178,705

*Part of income comes from foreign countries.

Gold Stocks Rapid Rise Leads Shrewd Investors To Seek Reasons Why

Present Dividends Give High Yield—Exchange is Helping

POOLS ARE MOOTED

Buying Sets New High Values For Market Favorites—Mines Are in Fine Position

The rapid rise in the market values of three leading dividend-paying gold stocks, McIntyre-Porcupine Mines, Lake Shore Mines and Dome Mines, during the past ten days has prompted enquiry as to just what influences are bringing higher values for these stocks without materially affecting prices of other dividend-paying gold stocks.

There can be no denying that the three stocks mostly affected are the market favorites. McIntyre-Porcupine had sold down to a low of $15 per share this year and the recent flurry brought it up to a new high level of $24.75, the highest reported since 1928. Lake Shore shares sold up to $34, a new all-time high, as compared with a low of $24.90 earlier in the year. Dome Mines shares sold up to a new high level of $14.10, the highest recorded since 1926, as compared with a low of $9 per share earlier in the year. McIntyre is giving the lowest yield of the three with current dividends of $1.50 per share, equivalent to a yield of approximately 6 per cent in U. S. funds on the new high market prices. Lake Shore with its $3 dividend in Canadian funds gives a yield of about 9 2/3 per cent on the basis of the new high prices, while Dome with $1.30 per share dividends is yielding about 9¼ per cent in U. S. funds on the new price levels with dividends of $1.50 per share in the offing next year.

Yield and Stability

There can be no denying that the gold stocks are attracting increasing interest not only for their yield, but also for the stability of earnings during the depression. While the present buying has been attributed to New York purchasing on behalf of investment trusts and interests seeking shares with dividend stability, the sudden rise in price savors of more than ordinary influences in the market. Whether or not pools are operating to the end that even higher prices will prevail is a conjecture. If such be the case, many investors believe that the rapid market rise is more than a desire to place the gold stocks on a basis more in line with earning capacity. The fear expressed by many shrewd investors is that if a pool is operating and withdraws its support, there will be a gradual weakening of the market and a possibility that prices will settle back to near the levels previously existing. A pool in McIntyre is reported from New York and their confidence in their position is indicated by fact that puts $1 under market are offered on their behalf.

One thing is certain: there have been no new developments at any of the properties over night that would suddenly warrant a greater appreciation for the gold stocks. Earnings have gradually increased, largely due to exchange compensation through the adverse exchange rate on Canadian funds in New York. This exchange rate now is at the highest level existing since Great Britain went off the gold standard a year ago last October. If this high rate of exchange persists there should be a corresponding maintenance of present increase in the earnings of all gold producers. Fear has been expressed that the exchange compensation now being paid by the Ottawa mint will be withdrawn. Such an unlikely event would have no effect on the gold producers unless the Government, coincident with the cessation of payment of exchange compensation payment, would also bar the export of gold. The suggestion that the Government might resort to such drastic action as prohibiting exportation is considered absurd as that would amount to confiscation of Canada's gold output. Therefore, so long as Canadian funds are at a discount in New York, Canada's gold producers will likely continue to enjoy full effects of the premium.

Premium No Expense

Despite the numerous articles that have been written on the subject of the Government paying exchange compensation, there are still some people who labor under the belief that the Government, in paying this exchange compensation, does so at public expense. As a matter of fact, the Government profits to a slight extent by paying the producers the equivalent of the premium on New York funds because in the first instance it is able to curtail the movement of gold, to make its international debt settlements and thereby to secure a better average rate. If the Government did not purchase the output of the gold mines it would be necessary to go into the market and buy United States funds to settle its government obligations and this would cost fractionally higher than the present plan of paying exchange compensation.

Another factor that has a bearing on the future selling price of Canadian securities is the Government's recent action in mildly inflating Canadian currency. The effect of this inflation has not yet manifested itself in higher commodity and security prices in general and, therefore, the present rise in the gold stocks cannot be attributed to this cause except in so far as the action may have affected exchange at New York.

In surveying the earning power of these three leading mines, no clue is offered to increased earnings except through the medium of fluctuating premium on United States funds. All the properties have in recent months been brought up to production schedules that are not under any plan of modification at the present time. One possible source of increased earnings is declining costs, principally through increased efficiency and lower costs for supplies. On the other hand, experience has shown that as a general rule with increased tonnage and greater operating efficiency a lower grade of ore, and consequently a lower production of gold, is the rule.

The one class of Canadian industry to sustain earning power has been gold mines. No other class of industrial investment has so consistently maintained and even increased dividends as have the gold producers. This has brought an inclination on the part of investors generally to give increasing consideration to the gold mines, but the shrewd investor is also cognizant of the fact that a large percentage of present-day earnings is attributable to exchange compensation. He knows that when, and if, premium on United States funds declines or vanishes, with it goes a substantial proportion of present-day earnings. These investors are also cognizant of the fact that the increased tempo of production is having a corresponding effect on depletion of the profitable ore and with the maintenance of greater production exhaustion of the mine is just that much closer.

In dealing with the life of a long-established gold mine one delves into the realm of the unknown but experience has shown that good mines die hard. If investors will keep in mind amortization schedules and the fact that 17½ years is required for a shareholder in a mining company whose stock gives a 10 per cent yield, to obtain a return of his investment, and at the same time get six per cent interest, a sounder foundation is laid for calculating the return necessary from investments in all wasting assets such as gold mines.

New Low Prices For Spot Silver

With the drop of spot silver prices another ⅛ of a cent to 25⅝ cents per ounce in New York, a new all time low price was established.

From a former low price of 25¾ cents per ounce earlier in the year, the price had become somewhat steady around 29 cents to average 28.87 cents per ounce in New York for the first six months of 1932.

The price of silver futures is steady with the December, January, March and May positions advancing about 1/5 of a cent an ounce.

$842,060,020 Invested in Mining Securities

Employment Afforded 72,809 Canadians Receiving $91,969,299 in Wages and Salaries

Industrial data, relating to the mining industry in Canada and just released by the Dominion Bureau of Statistics at Ottawa, reveal that operating mines, smelters, refineries, oil and gas fields, clap products plants, cement mills, sand and gravel properties, and stone quarries represented a total capital investment of $842,060,020 in 1931. Information pertaining to 1931 mining activities was collected from 2,397 firms, returns showed that the entire mining industry afforded employment to 72 809 persons who received in salaries and wages a total of $91,969,299. Net sales of mineral products amounted to $238,169,809; this value represents the proceeds from sales and includes the value added by smelting operations. This figure should not be confused with the value of Canadian mineral production for 1931 as given in the half-yearly report, which figure, amounting to $228,029,018 includes the value of the metals computed at average prices in a recognized world market together with the reported value of sales of non-metals and structural materials.

The bureau's survey shows that of the major groups in the industry, metal mining reported 312 active firms with a capital investment of $390,908,034, 25,434 employees, $41,829,288 in salaries and wages and $132,382,304 in income from sales; in comparison with corresponding returns for 1930 gold mining was the only individual member of this group to record an increase. The significance of this is emphasized in the increasing activity and general expansion in all branches of this particular sphere of mining, including production, development and exploration.

Production of primary base metals including copper, nickel, lead and zinc experienced possibly the most distressing market conditions within the history of metal mining. Prices at unprecedented low levels combined with industrial conditions approaching almost a point of stagnation in many parts of the world have, in many instances, necessitated a drastic curtailment in metal output resulting in lessened employment and serious loss of purchasing power in some of the more adversely affected districts. Some of the Canadian base metal producers, especially the miners of copper-bearing ores in central and Eastern Canada, have been fortunate in operating on ores containing appreciable precious metal values. This has proved of considerable assistance in preserving continuous operations with their attending benefits to not only the local mining communities but the country at large.

Returns from the non-metal mining industry and including figures on coal, natural gas and petroleum, show a general recession as a whole from those of the preceding year. This reflects the widespread commercial depression existing throughout the world during 1931; information collected from members of this group for 1931 shows 843 firms, $325,169,359 in capacital invested, 34,075 employees, $36,031,233 in salaries and wages, and $61,629,210 as income from sales. Among the recorded values for sales the only members in this group to show increases over 1930 were those of the salt and miscellaneous non-metal industries. Statistics compiled for the clay products and other structural materials industries indicate consistent and sympathetic recessions in common with the other two major mineral producing groups. Figures relating to employment, salaries, wages and sales for each particular industry of this group were below those of 1930; 1.242 firms were reported as active, $125,983,627 represented capital invested, employment was afforded to 13,300 persons, $14,108,778 was dispersed in saalries and wages, and $44,158,295 constituted the value of sales.

New Books

"A History of American Mining" by T. A. Rickard and dedicated to Herbert C. Hoover, gives to those who have come late into contact with the mining industry of the United States a background of the contributions of the pioneers in the industry. Chronologically the author traces the earliest activities in American mining from the copper weapons and ornaments of the Indians down to the latest and most advanced metallurgical processes.

How futile it is to prophesy on the mineral possibilities was exemplified when that wise philosopher, Benjamin Franklin, arguing in favor of paper currency in 1790 remarked: "Gold and silver are not the produce of North America which has no mines." While it is true that the mining industry of the United States was in the embryonic stage at that time the nation developed into one of the leading mining countries of the world Its gold production until last year was second only to South Africa when Canada assumed that position.

The author deals with each main camp in a separate chapter in a somewhat encyclopaedic, but nevertheless interesting way to all connected with the industry. There is a distinct tie-up between United States and Canadian mining. In the volume Canadian mining men will find much of interest.

It is published by the McGraw-Hill Book Co. Inc., New York and London, at $3.

B. C. Mines Branch Issues Report on Lode Gold Mines

The British Columbia Department of Mines has just published a report on lode gold mining in the province in 1932.

During 1932 there was revival of interest in the gold mining potentialities of some of the older districts. Three new gold producers were brought in during the year—Bralorne, Cariboo Gold Quartz and the new mill of Reno. In addition, the Pioneer mill was tripled in capacity.

The report deals at some length with each lode gold property operating in the province and in its customary style a comprehensive picture is painted of just what has been accomplished.

The bulletin is available gratis from the Bureau of Mines, Victoria.

Barry Arranges Finances in N. Y. to Extend Work

Barry Hollinger Mines has concluded arrangements with George F. Breen and Sisto & Co., of New York, to provide funds for further development. Under the terms definite payments are to be made monthly and treasury shares taken up. The first payment is to be made on December 15 and at regular monthly intervals thereafter.

The new interests are to be represented on the board of directors and provision is being made to add two new members. A geologist is also being employed to study Barry's structure and report on the ore possibilities at depth. In past months Barry has been seriously handicapped by the lack of funds for development. Some exploration work has been under way on the No. 9 vein and altogether about 500 ft. of drifting done but no commercial ore was disclosed.

With new capital available an aggressive programme of development will be undertaken. Dr. E. Herbert Greene, president of the company, has been carrying the worries of Barry for the last two years and is now most hopeful that a well directed and amply financed programme will produce results.

Boston Catharine Mines Makes Interim Distribution

Shareholders of Boston Catherine Mines are receiving an interim distribution of one-quarter of a cent per share by virtue of an order-in-council dated November 3, 1932.

The company was incorporated in 1927 and owned 360 acres in Catherine township, adjoining the Gold Shield Mines. Surface work only has been done. At last report approximately 900,000 of the 3,000,000 $1 authorized capitalization had been issued.

The head office of the company is McKinnon Building, Toronto.

METAL PRICES

New York—November 29:
Copper—Electrolytic spot, 5½c. lb.
London—November 29.
(Long Ton)
Copper—Electrolytic spot, £37; future £37 10s. Standard spot, £32; future £32 5s.
Tin: Spot, £150 12s. 6d; future £151 15s.
Lead: Spot, £11 12s. 6d.; future £11 17s. 6d.
Zinc: Spot, £14 17s. 6d.; future, £15 2s. 6d.
Silver: 17⅞d. per ounce.

Eldorado — Howey
Wright-Hargreaves
McIntyre — Dome
Great Bear Lake Mines

This month's issue of the "Mining Chronicle" contains a fund of valuable information regarding the above companies. We will be pleased to mail a copy upon request.

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Conservation Upheld By Alberta Courts

Upon appeal, the right of the provincial government to impose gas conservation in Turner Valley through the Turner Valley Gas Conservation Act was upheld.

The Appellate Court of Alberta rules that sections of the Act permitting the opposing of a levy on oil operators to cover the expenses of the Turner Valley Gas Conservation Board were ultra vires of the provincial government. The remainder of the Act is upheld. The judgment was written by Mr. Justice McGillivray and was concurred in by the other justices of the court.

Minor Kenty Swayze Claims to Be Drilled

The Cyril Knight Prospecting Co. has decided to diamond-drill its Minor Kenty group of claims in Swayze township, which adjoin the Kenty Gold Mines on the east.

The contract has not yet been let but it is planned to start drilling early in January. No assessment work has been done at the property since early in August this year. A small party has been at work this fall making a detailed map of the showing. About 12 small veins have been found but the heavy overburden hampers trenching. Drilling will start near the Kenty Gold Mines boundary. At this point there is a swamp and it is the intention to drill under this in the hope of finding an extension of the veins from the Kenty.

New Bulletin Estimates Earnings of Howey Gold

An exposition of the earnings position, debt repayment and mine development of Howey Gold Mines is contained in the current copy of the Mining Chronicle, issued by F. J. Crawford & Co., of Toronto. According to this bulletin, Howey will have paid off its debt by the end of 1932, and will thus effect an economy in interest charges apart from its operating costs.

The bulletin estimates earnings for this year, and indicates progress of development work on ore in the mine at depth. It also states that economies being effected in operations will increase profits. Additions to the mill increasing capacity materially can be made on an economical basis, according to the letter.

HOPEFUL FOR ORE AT KIRKLAND LAKE OVER MILE DEEP

Deepest Gold Mine on Continent—Formation Still Favorable

Kirkland Lake Gold Mining Co. is continuing the sinking of its winze at the rate of about 200 ft. per month and is currently about 400 ft. below the 4,900 ft. or lowest developed horizon. This makes the company's workings well over a mile in depth—the deepest gold mine workings on this continent.

At the 4,900 ft. level drifting is under way toward the adjoining Grozelle property, controlled by Kirkland Lake Gold Mining. Under the terms of the agreement the vein extending from the Kirkland Lake Gold into the Grozelle will be explored and be paid for by issuing Grozelle treasury shares.

To date the lower levels of Kirkland Lake Gold Mining have not produced the massive ore bodies that have characterized the adjoining mines to the east at higher levels, but many high grade patches have been encountered that keep the mill operating to capacity with a profit accruing. The ore found has been about comparable with that announced by Teck-Hughes on its deeper levels both as to grade and quantity. The formation continues favorable and development proceeds with the hope that the massive ore shoots have not ceased to exist as greater depth is reached.

Pioneer Gold Mines Doubles Dividends

Pioneer Gold Mines of B. C. has announced that dividends will be doubled and that the quarterly dividend of six cents per share will be payable on January 2, 1933, to shareholders of record December 10.

This will make the annual rate 24 cents per share as compared with the 12 cents per share prevailing since dividends were inaugurated in the spring of 1931.

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